



WEB COPY



C.R.P.No.1176 of 2015

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 20.12.2022

CORAM

THE HON'BLE MR. JUSTICE G.K.ILANTHIRAIYAN

C.R.P.No.1176 of 2015
and M.P.No.1 of 2015

D.Perumal

.. Petitioner

Vs.

1. Salem District Central Co-operative
Bank Ltd., Represented by its Secretary,
G.Saravanabhavan, Cherry Road
Office, Salem-7,

K.Ramasamy (Deceased), Manager,
Salem District Central Co-operative
Bank Ltd., Yercaud Branch, Yercaud
Post, Salem District.

2. N.Dhanapal, Manager, Salem District
Central Co-operative Bank Ltd.,
Vazhapadi Area Office, Vazhapadi
Post, Salem Taluk, Salem District.

M.A.V.Muthusamy (Deceased)
Manager, Salem District Central Co-operative
Bank Ltd., Cherry Road,
Salem-1.

3. R.Ramakrishnan, Manager, Salem District
Central Co-operative Bank Ltd.,
Bazaar Street, Salem-1.



C.R.P.No.1176 of 2015

WEB COPY

4. V.Saraswathi
5. Bharatha Devi
6. M.Duraisamy
7. G.Venkatesan
8. K.S.Arthanari,
Supervisor,
Salem Area Office, Salem District Central Co-operative
Bank Ltd., Salem-1.
9. A.Janaki
10. V.Lakshinarayanan, Manager, Salem District
Central Co-operative Bank Ltd.,
Cherry Road, Salem-1.
11. M.Chellappan, Manager, Salem District
Central Co-operative Bank Ltd.,
Cherry Road, Salem-1.
12. K.Rajappan, Secretary, 152, 2nd
Agraharam, Salem-1.
13. K.Gnanasundaram (Deputy Registrar/
Administrative Officer-Retd.), 24,
Eda Street, Tiruvarur-610 108,
Nagapattinam Quide Millath District.
14. S.Kannappan (Deputy Registrar/
Administrative Officer-Retd.), 3,
Veerabhathraswami Kovil Street,
Cuddalore-607001, South Arcot
Vallalar District.



C.R.P.No.1176 of 2015

WEB COPY

15. D.Sivaraj, Assistant Secretary-Retd.,
408-H, Mullai Nagar, Suramangalam,
Salem-5.
16. A.Ramamurthy, Manager, Salem
District Central Co-operative Bank
Ltd., Mallur Branch, Mallur Post,
Salem District.
17. Mari Chetty, Manager, Salem District
District Central Co-operative Bank.,
Dhadhagapatti Branch,
Dhadhagapatti Taluk, Salem-5.
18. S.Gopalan
19. P.Santhanagopalan, Manager, Salem
District Central Co-operative Bank
Ltd., Cherry Road, Salem-1.
20. C.Muthuraman, Manager, Salem
District Central Co-operative Bank
Ltd., Women Branch, Fairlands,
Salem-16.
21. K.Rangasamy, Cashier, Manager, Salem
District Central Co-operative Bank
Ltd., Cherry Road, Salem-1.
22. N.Sengodan, Assistant, Salem
District Central Co-operative Bank Ltd.,
Pudhuchattram Branch, Namakkal
Taluk, Salem District.
23. R.Gopalsamy
24. P.Chittan



C.R.P.No.1176 of 2015

WEB COPY

25. S.Mohammed Ali

26. M.Chokkalingam, Manager, Salem
District Central Co-operative Bank
Ltd., Cherry Road, Salem-1.

27. S.Krishnamurthy, Deputy Registrar/
Special Officer, 31, Ground Floor
Road Street, Mylapore, Chennai-4.

28. A.R.Nachimuthu, Secretary,
Sampath Nagar, Erode-1, Periyar District.

29. V.Adhikesavan, Assistant Secretary,
Salem District Central Co-operative Bank
Ltd., Cherry Road, Salem-1.

S.Devarajan (Deceased), Assistant Secretary,
Salem District Central Co-operative Bank
Ltd., Cherry Road, Salem-1.

30. Mangaleswari

31. Anusuya

32. Sathishkumar

33. Priya

34. Aandal

35. Vasantha

36. M.Senthilkumar

37. M.Raja

38. Latha

.. Respondents



C.R.P.No.1176 of 2015

Prayer:- Civil Revision Petition filed under Article 227 of Constitution of India to allow the above Civil Revision Petition and set aside the order and decreetal order passed in C.M.A.(C.S)/.No.24 of 1995 on 30.04.2014 on the file of the Principal District Judge, Salem.

For Petitioner : Mr.P.Jagadeesan
For R1 : Mr.M.R.Raghavan
For R2 to R38 : Given up

ORDER

This Civil Revision Petition has been filed as against the order and decreetal order passed in C.M.A.(C.S)/.No.24 of 1995 on 30.04.2014 on the file of the Principal District Judge, Salem, thereby confirmed the order of surcharge proceedings initiated as against the petitioner herein.

2. The petitioner had joined in the Co-operative Department in the year 1962 in the service of the Salem District Central Co-operative Bank as a last grade servant and thereafter promoted as Senior Assistant in the year 1978. While he was in service, the surcharge proceedings were initiated by the Special Officer of the Salem District Central Co-operative Bank under Section 87(1) of Co-operative Societies Act, 1983, which culminated in the orders passed under Section 87(1) by the proceedings



C.R.P.No.1176 of 2015

WEB COPY

of the Deputy Registrar of Co-operative Societies in Na.Ka.No.9226 of 1994 dated 05.05.1995.

3. Originally, the surcharge proceedings were initiated as against 33 employees. For initiation of proceedings, they all were served with show cause notices with allegations that there was loss to the Co-operative Bank under three heads totaling in all Rs.7,37,548.91/- from the period 15.12.1988 to 25.06.1990. The gravity of the charge was that the petitioner did not get permission from the higher officials for admitting the cash vouchers, which were issued for the purpose of expenses incurred in the celebrations of Co-operative week. Thereafter, the final order was passed on 05.05.1995, reducing the liability to the tune of Rs.3,87,160.48/- as against five individuals along with the petitioner herein. They preferred an appeal in C.M.A.(C.S).No.24 of 1995 under Section 152 of the Tamil Nadu Co-operative Societies Act, on the ground that the impugned surcharge proceedings is untenable, since there was only an Assistant in the office, performing the duties as directed by the superior officers. Therefore, the petitioner had nothing to do with the sanctioning of any funds or for allotting the same to any particular



WEB COPY

function or project. In fact, the criminal proceedings initiated as against the petitioner for the breach of trust, misappropriation forgery etc, ended in acquittal. Though, the appeal preferred thereon came to be dismissed, the entire liability was fastened on the petitioner herein.

4. The learned counsel for the petitioner would submit that already the petitioner had repaid a sum of Rs.1,85,889/-, which includes the sum realized through auction of his movable properties in E.P.No.116 of 1991.

5. A perusal of records revealed that in order to propagate the function of the Co-operative Institution, Co-operative week was celebrated from 15.12.1988 to 25.06.1990. The petitioner, who was functioning as a Senior Assistant in the Bank, drew money from the Bank on the basis of cash vouchers which were issued for the purpose of expenditures during the celebrations. Irregularities were committed in withdrawal of money from the Bank without the permission or concurrence of the higher officials of the Bank to a large extent. Therefore, enquiry was conducted in accordance with provisions under



C.R.P.No.1176 of 2015

WEB COPY

Section 87(1) of the Co-operative Societies Act, 1983. During the enquiry, 33 employees were issued show cause notice and after completing the enquiry on 05.05.1995, the surcharge order was passed and thereby fixed the liability of Rs.3,87,160.48/-.

6. Therefore, the Court below had rightly confirmed the order of the surcharge proceedings and this Court finds no infirmity or illegality in the order passed by the Court below. Hence, this revision is liable to be dismissed. However, the respondents are directed to adjust the amount which was already repaid by the petitioner while taking proceedings to recover the surcharge amount from the petitioner.

7. Accordingly, this Civil Revision Petition is dismissed. Consequently, connected Miscellaneous petition is closed. No costs.

20.12.2022

Speaking/Non-speaking order

Index : Yes/No

Internet : Yes/No

mn



WEB COPY



C.R.P.No.1176 of 2015

G.K.ILANTHIRAIYAN,J.

mn

To

The Principal District Judge, Salem.

C.R.P.No.1176 of 2015
and M.P.No.1 of 2015

20.12.2022