



W.P(MD)No.8820 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 20.06.2023

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THE HONOURABLE MR.JUSTICE C.V.KARTHIKEYAN

W.P(MD)No.8820 of 2023

and

W.M.P.(MD)No.8057 of 2023

The President,
MM 334, Pudukkottai Electricity Distribution Circle
Employees Co-operative Thrift and Credit Society Limited,
TNEB Campus,
Near Old Bus-stand,
Pudukkottai,
Pudukkottai District.

... Petitioner

Vs.

- 1.The Registrar of Cooperative Societies,
No.170 NV Natarajan Maaligai,
Opposite to Ega Cinema Hall,
Poonamallee High Road,
Kilpauk, Chennai - 600 007.
- 2.The Joint Registrar of Co-operative Societies,
Combined Multi Storage Building for Co-operatives,
Annavasal Road,
Pudukkottai.
- 3.The Deputy Registrar of Co-operative Societies,
Combined Multi Storage Building for Co-operatives,
Annavasl Road,
Pudukkottai.

... Respondents



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PRAYER :-

Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari calling for the records relating to the impugned order of the 3rd respondent vide in his proceedings Na.Ka.192/2017 Thittam II dated 09.03.2023 and quash the same.

For Petitioner : M/s.S.Karthikeyan
Advocate.

For Respondents : Mr.S.Shanmugavel
Additional Government Pleader

ORDER

The Writ Petition has been filed in the nature of certiorari seeking interference with an order of the third respondent / Deputy Registrar of Co-operative Societies, Combined Multi Storage Buildings for Co-operative at Annavasal Road in Pudukkottai, in proceedings No.Na.Ka.192/2017 Thittam II dated 09.03.2023.

2. The writ petition has been filed by the President of Pudukkottai Electricity Distribution Circle Employees Co-operative Thrift and Credit Society Limited at Pudukottai District. The petitioner's society, borrows loan from Thrift Co-operative Federation Limited, Chennai which is a multi state Co-operative Society.



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3. It is stated that a circular had been earlier issued on 16.10.2014 by the first respondent that all Regional Joint Registrar are requested to instruct all Employees Co-operative Thrift and Credit Societies under their control to borrow funds only from the District Central Co-operative Banks and not from Federation / other institutions. It had been stated that questioning this particular circular, W.P.No.30807 of 2014 was filed and that was allowed on 12.12.2014. It has also been stated that on 09.08.2018, the third respondent had issued an order that the petitioner should not get loan from Thrift Co-operative Federation limited. The petitioner had filed W.P.(MD)No.21544 of 2018 and that was allowed on 08.04.2019. It is stated that the Thrift Co-operative Federation at Chennai, is not the Society registered under the provisions of the Tamil Nadu Co-operative Societies Act, 1983. In view of those two orders, passed by learned Single Judges of this Court, learned counsel for the petitioner seeks interference with the circular issued dated 09.03.2023 in Na.Ka.No. 192/2017 by the third respondent.

4. A reading of the orders shows that it would only be to the advantage of the petitioner that they do not obtain loan from the Thrift Co-operative Federation Limited, Chennai, which even according to the petitioner, may not



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be a registered Society. It would only be appropriate that the petitioner obtains loan through the Regional Co-operative Societies.

5. The present notice proceeds on the basis that if such loan had been obtained by the petitioner from the Thrift Co-operative Federation limited, Chennai, then necessary enquiry under Section 81 of the Co-operative Societies Act, 1983 would be initiated. Any proceedings under Section 81 of the said Act is only a fact finding enquiry. It can be initiated by the Registrar on his own motion or on the application of the Board of not less than 1/3 members or on the request of a Financing Bank or of the District Collector who may direct any person authorised to hold an enquiry into the working and financial condition of a registered society. This enquiry would only be to the benefit of the petitioner herein.

6. The fact that on two earlier occasions, learned Single Judges of this Court had interfered with the notice of different purport would not come to the rescue of the petitioner herein. Let the petitioner submit his books of accounts and let them be examined by the third respondent. Let the enquiry under Section 81 of the Act, proceed.



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7. As a matter of fact, the writ petition has been filed more out of apprehension that an enquiry under Section 81 of the Act, would be conducted.

But there is no document produced that the respondent had initiated such enquiry. But even if such a notice is issued, the duty is cast on the petitioner to protect their own members and in the interest of the members of the petitioner society to disclose details and be very transparent. This is all the more required because, at some point, the petitioner's society will have to repay the loan.

8. I am of the firm opinion that the aforementioned two judgments relied on by the learned counsel would not come to the rescue of the petitioner in the instant case. If a notice is issued under Section 81 of the Tamil Nadu Cooperative Societies Act, 1983, a duty is cast on the petitioner to participate in such enquiry and produce the books of accounts and ensure that they confirm to the guidelines of the respondents herein. In view of that particular fact, this writ petition is dismissed. No costs. Consequently, connected miscellaneous petition stands closed.

20.06.2023

NCC : Yes / No

Index : Yes / No

Internet : Yes / No

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C.V.KARTHIKEYAN, J.

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