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W.P.Nos.23808 of 2024 and 14019 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 20.08.2024

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

**W.P.Nos.23808 of 2024 and 14019 of 2023**  
**and W.M.P.No.26058 of 2024**

J.Divya ... Petitioner in **W.P.No.23808 of 2024**

P.Suseela ... Petitioner in **W.P.No.14019 of 2023**

-Vs-

1. The Registrar Of Co-Operatives,  
O/o The Registrar Of Co-Operatives,  
Kilpauk, Chennai 600 010.
2. The Joint Registrar of Co-Operatives,  
O/o The Joint Registrar of Co-Operatives,  
Collectorate Campus, Nagapattinam.
3. The Deputy Registrar of Co-Operatives,  
O/o The Deputy Registrar Of Co-Operative Societies,  
Collectorate Campus, Nagapattinam.
4. The Special Officer,  
No.3, Nagapattinam Urban Co-Operative  
Credit Society Limited,  
Nagapattinam Branch, Nagapattinam.
5. The Secretary,  
No.3, Nagapattinam Urban Co-Operative  
Credit Society Limited,  
Nagapattinam Branch, Nagapattinam. ... Respondents in **both W.Ps**



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**Common Prayer :** Writ Petition filed under Article 226 of Constitution of India praying for the issuance of a Writ of Mandamus, directing the respondents to claim of the petitioner and to disburse the deposit amounts with interest at 12 percentage per annum to the petitioner from the date of maturity within a time frame fixed by this Hon'ble Court.

**In both W.Ps**

|                |                                                  |
|----------------|--------------------------------------------------|
| For Petitioner | : Mr.G.Ilamurugu                                 |
| For R1 to R3   | : Mr.V.Nanmaran<br>Additional Government Pleader |
| For R4 and R5  | : Mr.K.Suresh<br>Government Advocate             |

**COMMON ORDER**

These writ petitions have been filed for direction directing the respondents to consider the claim of the petitioner and to disburse the deposit amounts with interest at 12 percentage per annum to the petitioner from the date of maturity within a time frame fixed by this Hon'ble Court.

2. Heard both sides and perused the materials available on record.

3. The petitioners are the members of the fifth respondent Society. They had made fixed deposits with the fourth and fifth respondents and they assured that it will be returned on its maturity with interest at the rate of 12%. The petitioners were issued fixed deposit for their respective deposits. All the



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deposits were already matured on various dates during the month of June, 2021 to January 2023 and 2024. However, the fourth and fifth respondents failed to pay the matured amount with interest. In fact, some of the persons died and their legal heirs claim before the fourth respondent.

4. As directed by this Court, the second respondent filed a status report and it revealed that the fifth respondent had already issued 114 loans to its members in which, 49 borrowers have not repaid the loan. Therefore, they had initiated arbitration proceedings and also obtained arbitration award. That apart, there was misappropriation of funds and as such, ordered for enquiry under Section 81 of Tamil Nadu Co-operative Societies Act, 1983. After conducting enquiry, detailed report was submitted and as such, surcharge proceeding was initiated as against its own employees.

5. Further, as per the audit report, it also revealed that due to irregular promotion of the employees of the Society, there was loss to the tune of Rs.46,98,097/-. Further, fixed deposits were made to the tune of Rs.4,01,08,958/- so far, in which, Rs.49,60,203/- was paid as interest so far. That apart, jewel loan borrowers failed to repay the jewel loan. Finally, the Society has Rs.30,00,000/- in savings account at Kumbakonam Central Co-



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operative Bank.

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6. In view of the above status report of the fifth respondent Society, the fourth respondent is directed to return the fixed deposit to the petitioners as per their claim proportionately with the available funds of Rs.30,00,000/-, within a period of six weeks from the date of receipt of a copy of this order.

7. With the above directions, these writ petitions are disposed of. Consequently, connected Miscellaneous petition is closed. There shall be no order as to costs.

20.08.2024

Internet: Yes  
Index : Yes/No  
Speaking/Non Speaking order  
Neutral Citation : Yes/No  
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To



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**G.K.ILANTHIRAIYAN. J.**

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