



C.R.P.No.2938 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 08.04.2024

CORAM

THE HON'BLE MR.JUSTICE V. LAKSHMINARAYANAN

C.R.P.No.2938 of 2022

R.Selvaraj

... Petitioner

-Vs-

1.The Deputy Registrar Of Co-operative Societies
Salem Circle Office At The Salem District
Central Co-operative Bank Complex
Cherry Road Salem-636 001.

2.The Special Officer
S.411 Suramangalam Primary Agricultural
Co-operative Bank Ltd Suramangalam
Salem-636 005.

3 P.Arulanandham

4 M.Arjunan

5 K.C.Sundharam

... Respondents

Prayer : Civil Revision Petition under Article 227 of the Constitution of India to set aside the fair and decretal order made in CMA(CS).No. 2 of 2008 dated 25.02.2019 on the file of the Principal District Judge Salem confirming the order passed by the 1st respondent in his proceedings Na.Ka.No. 5016/2007 Sa.Pa. dated 11.10.2007.

For Petitioner : Mr.C.Prakasam

For Respondents : Mr.R.Siddharth, Government Advocate-for R1
Dr.S.Suriya, Additional Government Pleader-for R2
Mr.R.Thamaraiselvan - for R4
R3 and R5 - Served, no appearance



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ORDER

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The petitioner in this Civil Revision Petition was working as a Cashier in S.411, Suramangalam Primary Agricultural Co-operative Bank Ltd, Suramangalam, Salem. Proceedings were initiated under Section 81 of the Tamil Nadu Cooperative Societies Act. The enquiry officer under Section 81 submitted a report that there was misappropriation of a sum of Rs.17,00,684/- and held eleven persons as responsible for the loss caused. During the course of his enquiry, he exonerated eight persons and fixed the responsibility of the loss caused to the aforesaid Cooperative Bank on Arulanandam, Manager, Selvaraj / civil revision petitioner and Arjunan, Cashiers of the Cooperative Bank.

2. Arulanandam was the Manager. He would state that he had relied upon the civil revision petitioner and Arjunan to perform their duties and they had misappropriated the amounts. The civil revision petitioner and Arjunan would plead that the Manager Arulanandam used to give them some work outside the bank and send them away and thereafter he used to disburse the amounts. Pursuant to the report submitted under Section 81, an enquiry was ordered under Section 87 and it has resulted in passing of an award in Award No.1192/2006-07.

4. Challenging the award, the civil revision petitioner preferred C.M.A.(CS) No.2 of 2008 before the learned Principal District Judge at Salem, who is the



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appellate authority for such matters. The learned Principal District Judge dismissed the appeal on 25.02.2019 confirming the order passed under Section 87. Hence this revision.

5. Mr.C.Prakasam, learned counsel for the petitioner would submit as follows. The enquiry report under Section 81 was not given to the petitioner and sufficient opportunity was not granted to him. It was Arulanandam who was responsible for all the works and not the petitioner who was a mere cashier. The petitioner had merely obeyed the command of the superior and he cannot be held responsible for the loss caused by Arulanandam. He would further submit that, pursuant to an order under Section 87, he had already deposited a sum of Rs.3,00,000/- in W.P.No.2511 of 2008 and Arulanandam having deposited the remaining sum of Rs.3,00,000/-, the respondents have not sustained any loss.

6. Insofar as the argument on violation of principles of natural justice, it is clear from the records that, on receipt of the report under Section 81, a detailed reply had been given by the petitioner and hence the question of the report being kept behind his back does not arise for any moment's consideration.

7. Insofar as the amounts which have been collected from the daily subscribers is concerned, it is on record that Arulanandam, Selvaraj and Arjunan used to collect the amounts directly from the subscribers of the bank, but they



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pocketed the amounts without bringing it on record of the bank.

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8. Insofar as the jewel loan given to one Selvi is concerned, the petitioner herein had received the amount, but had failed to record the same. Curiously enough, for the jewel loan given to the wife of Arulanandam viz., one Sasirekha, on physical verification done during the Section 81 enquiry, it came to light that though amounts had been given, the jewels were not available in the custody of the bank.

9. The learned trial authority had given a specific finding that the civil revision petitioner had tampered with the records. This is because, the records were maintained by Arulanandam and by Selvaraj and they had signed the jewel return register and therefore the authority concluded that without their knowledge it would not have been possible for the jewels to be returned. The factual findings given by the trial authority viz., the first respondent had been analysed in detail by the Tribunal.

10. Sitting in Article 227 of the Constitution of India, I cannot re-appreciate evidence. Suffice it to state, both the decision as well as the decision making process in the cases do not reflect any arbitrariness or capriciousness in arriving at the conclusions. Apart from that, the Manager Arulanandam along with the civil revision petitioner Selvaraj had executed a notarized document dated 21.12.2006 stating that he is the one responsible for all the loss caused to the bank and it was not the civil revision petitioner.



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11. Mr.C.Prakasam would rely upon this document to state that he is absolutely innocent as seen from the letter and the fault should only lead to the door of Arulanandam. A cumulative appreciation of facts as culled out from the report of the Surcharge Officer as well as from the order of the Tribunal makes it clear that the Manager and the Cashiers have colluded together in order to divert and misappropriate funds from the bank, which was their employer. The finding that the petitioner as a Cashier was responsible, cannot be found fault with in the light of the unimpeachable records.

12. Therefore, I am not inclined to interfere with the order passed by the learned Principal District Judge-cum-Cooperative Appellate Tribunal in C.M.A.(CS) No.2 of 2008 dated 25.02.2019. The Civil Revision Petition is dismissed. No costs.

13. At this stage, Mr.C.Prakasam points out that his client has deposited a sum of Rs.3,00,000/- as early as in 2008 and the amount is still lying with the bank. At the time of recovery of any balance, the bank shall take into consideration the deposit made by the petitioner and will be entitled to proceed only with respect to the balance. In case the petitioner has paid the entire dues, he is entitled to recover the amount pro-rata from Arulanandam.

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Neutral Citation : Yes/No
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3. The Principal District Judge
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V. LAKSHMINARAYANAN, J.

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