



C.R.P.(MD)Nos.734 of 2020 & 1595 of 2021

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 11.12.2024

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THE HONOURABLE MR.JUSTICE KRISHNAN RAMASAMY

C.R.P.(MD)Nos.734 of 2020 & 1595 of 2021

C.R.P.(MD)No.734 of 2020

The Deputy Registrar of Co-operative Societies,
Palani Circle,
8 Ramalingam Street,
Palani Shanmugapuram,
Palani, Dindigul District.

...Petitioner

- 1.M.Ganesan
- 2.S.Shanmugavel Pandian
- 3.K.Ganesh Karthikeyan
- 4.P.Muthusamy
- 5.S.Saravanamuthu
- 6.V.Somasumdaram
- 7.N.Ganesan

...Respondents

Prayer: Civil Revision Petition filed under Article 227 of the Constitution of India praying to set aside the Judgement and decree in C.M.A. (C.S.)No.6 of 2010, dated 25.06.2014 on the file of the Principal District Court, Dindigul reversing the surcharge order in S.C.No.2/2009 Sa.Pa.



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dated 03.08.2009 passed away by the Deputy Registrar of Co-operative Societies, Palani and allow this Civil Revision Petition.

For Petitioner : Mr.P.Thambidurai
Government Advocate

For Respondents : No appearance for R1
R2 to R7 - given up

C.R.P.(MD)No.1595 of 2021

The Deputy Registrar of Co-operative Societies,
Palani Circle,
8 Ramalingam Street,
Palani Shanmugapuram,
Palani, Dindigul District.

...Petitioner

vs.

- 1.S.Shanmugavel Pandian
- 2.K.Ganesh Karthikeyan
- 3.P.Muthusamy
- 4.S.Saravanamuthu
- 5.V.Somasundaram
- 6.N.Ganesan
- 7.M.Ganesan

...Respondents

Prayer: Civil Revision Petition filed under Article 227 of the Constitution of India praying to set aside the fair and decreetal order dated 25.06.2014 in C.M.A.(C.S.)No.10 of 2010, on the file of the Cooperative Tribunal,



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(Principal District Court), Dindigul reversing the order passed by the Deputy Registrar of Co-operative Societies, Palani in the surcharge proceedings in S.C.No.2/2009/Sa.Pa. dated 03.08.2009.

For Petitioner : Mr.P.Thambidurai
Government Advocate

For Respondents : Mr.S.Karthik for R1
Mr.S.Sivaprakash for R7
No appearance for R2, R4 to R6
R3 - unserved

COMMON ORDER

These Civil Revision Petitions are filed against the Judgement and decree dated 25.06.2014 passed in C.M.A.(C.S.)Nos.6 and 10 of 2010, respectively, on the file of the Co-operative Tribunal (Principal District Court), Dindigul.

2. In the present case, surcharge proceedings was initiated by the Sub-Registrar, Palani by virtue of the notice dated 23.02.2009 against the respondents. Thereafter, surcharge order was passed on 03.08.2009, and the same was challenged by way of appeals in C.M.A.(C.S.)Nos.6 and 10 of 2010. In the above appeals, Judgement and decree was passed by the



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learned Principal District Judge, Dindigul on 25.06.2014. Aggrieved over the same, the present Civil Revision Petitions are filed.

3. The learned counsel appearing for the petitioner submits that, in the present case, the respondents have given 298 number of small loans to various persons each for a sum varying between Rs.500/- to Rs. 2,000/-. Out of the above loans, some loans have been recovered and as on date 184 loans are pending. He would submit that due to negligence on the part of the respondents, the loans could not be recovered. Therefore, surcharge proceedings was initiated. However, without considering the said aspects, the learned Principal District Judge, Dindigul, in C.M.A.(C.S.)Nos.6 and 10 of 2010, by virtue of the Judgement and decree dated 25.06.2014 has set aside the surcharge order. Hence, the present Civil Revision Petitions.

4. *Per contra*, the learned counsel appearing for the first respondent would submit that the first respondent in both the petitions have been working as Secretary and Assistant respectively and they have



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also taken steps to recover the loans. In fact, during the tenure of the Secretary, he has mobilized the deposit from Rs.50 lakhs to Rs.33 crores and he was also granted Best Loan Collector award. The learned counsel would submit that the Secretary retired on 30.06.2006 and as on the date of retirement, the respondents have taken all steps to recover the loan amounts and even, Execution Petition was also filed before the District Registrar of Co-operative Societies. Audit was conducted on 20.09.2006. In the Audit Report, no adverse remark was made against the respondents. Under these circumstances, the learned counsel would submit that the respondents have taken all steps to collect the loan amounts and there was no negligence on their part. The said aspect was considered in a proper perspective by the learned Principal District Judge, Dindigul and accordingly, he set aside the surcharge proceedings. Therefore, he prayed for dismissal of the Civil Revision Petitions.

5. I have given due consideration to the submissions made on either side and perused the materials available on record.



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6. The petitioner is the Deputy Registrar of Co-operative Societies. Aggrieved over the Judgement and decree passed by the learned Principal District Judge, Dindigul in C.M.A.(C.S.)Nos.6 and 10 of 2010, the present Civil Revision Petitions are filed. The main contention on the side of the petitioner was that due to the wilful negligence on the part of the respondents, the Society incurred loss to the tune of Rs.1,56,898/- and no steps have been taken by them to collect the said loan amounts.

7. In the present case, there is no dispute with the power of the respondents to grant loan to 184 persons and the fact that the said loans are yet to be recovered. Admittedly, there are no irregularities in granting loans. Only issue is about that there was negligence on the part of the respondents in recovering the loan amounts. The loans are small amounts and they vary from Rs.500/- to Rs.2000/-. In the Audit Report pertaining to the year 2005, no adverse remarks were made regarding the failure on the part of the respondents to collect the loan amounts. Particularly, in the present case, though the Secretary retired on 30.06.2006, necessary steps have been taken by filing Execution Petition



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before the District Registrar of Co-operative Societies. According to the respondents, due to the filing of Execution Petition only some of the borrowers have paid the loan. It is not that no recovery proceedings was initiated. Furthermore, the Secretary has obtained the Best Loan Collector award and he has also mobilised the deposit from Rs.50 lakhs to Rs.33 crores. The above facts would go to show that the Secretary worked at his level best along with his Assistants. Therefore, no one can find fault with the Secretary and the Assistants with regard to the collection of loan amounts. Taking into consideration of all these aspects only, the learned Principal District Judge, Dindigul set aside the surcharge order passed against the first respondent in both the petitions. Therefore, I do not find any error in the decision making progress of the learned Judge and the Judgement and decree granted by him in C.M.A. (C.S.)Nos.6 and 10 of 2010. There are no merits in the Civil Revision Petitions and there is no substance in the submissions made by the learned counsel for the petitioner. In such circumstances, the Civil Revision Petitions are liable to be dismissed.



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8. Accordingly, the Civil Revision Petitions are dismissed. No costs.

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NCC:Yes/No

Index:Yes/No

Speaking/Non-speaking order

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KRISHNAN RAMASAMY, J.

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