



W.P.No. 7190 of 2018

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 23.06.2025

CORAM:

THE HONOURABLE MRS. JUSTICE N. MALA

W.P.No. 7190 of 2018

and

CMP.No. 8927 of 2018

S.Komalavalli

...Petitioner

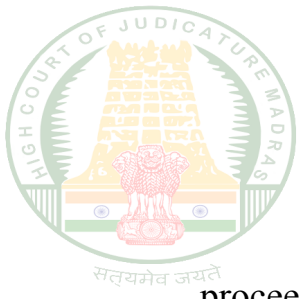
Versus

1.The Registrar of Co-operative Societies (Housing)
Tamilnadu Co-operative Housing Federation
No.48, Ritherdon Salai, Veppery
Chennai-600 007.

2.VSNL Employees Cooperative Housing Society Limited.,
Represented by its President,
No.4, Swamy Sivananda Salai
Chennai-600 002.

...Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India,
praying for the issuance of Writ of Certiorari calling for the entire records
relating to the impugned order passed by the 1st respondent in his



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proceedings in Na.Ka.No. 6939/2017/SF-1, dated 19.03.2018 and quash the same.

For Petitioner : Mr.S.Karthikeyan
For Respondent-1 : Mr.T.Chezhiyan
Additional Government Pleader
For Respondent-2 : Ms.J.Girija

ORDER

This writ petition has been filed challenging the order of the first respondent dated 19.03.2018, confirming the order of the second respondent dated 04.10.2017.

2. The petitioner was an associate member of the second respondent-Society. According to the petitioner, she filed several writ petitions against the members of the second respondent-society and the Board of Directors, for misappropriation of funds of the society, to the tune of Rs.11.07.Crores. The petitioner states that as a counterblast, the



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second respondent passed an order on 04.10.2017, removing the petitioner from the membership of the society, for violation of Sections 25 and 37 of the Tamil Nadu Co-operative Societies Act, and therefore, the petitioner filed an appeal under Section 152(2)(a) of Tamilnadu Co-operative Societies Act, 1983. Since the first respondent did not take up the appeal, the petitioner filed writ petition in W.P.No. 28381 of 2017, for direction to the 1st respondent to dispose the statutory appeal filed by the petitioner, within a stipulated time. The said writ petition was disposed on 07.11.2017, directing the first respondent, to dispose the appeal on merits and in accordance with law, within a period of three weeks from the date of receipt of a copy of the order. After the disposal of the writ petition, the first respondent passed an order on 02.08.2017, directing the petitioner to approach the Deputy Registrar of Co-operative Societies by raising a dispute. Thereafter, the petitioner challenged the 1st respondent's order in W.P.No. 30666 of 2017. The petitioner states that the writ petition was

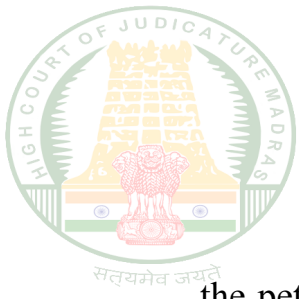


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allowed on 30.11.2017, directing the first respondent to entertain the petitioner's appeal and pass orders in accordance with law, within a period of 8 weeks, from the date of receipt of a copy of the order. The first respondent did not dispose of the appeal within the time stipulated and therefore, the petitioner filed Contempt Petition No. 344 of 2018. During the pendency of the contempt petition, the 1st respondent passed the impugned order and so the contempt petition was closed with liberty to the petitioner to challenge the order. The petitioner, therefore, filed the above writ petition challenging the order of the 1st respondent dated 19.10.2017.

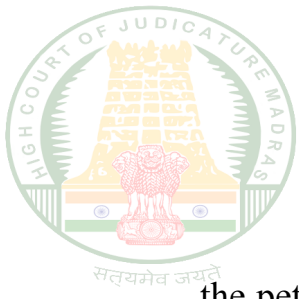
3. The first respondent, filed a detailed counter stating that the petitioner was not a 'A' Class/Regular member of the Co-operative Society and therefore, the provisions of Section 25 of the Tamilnadu Co-operative Societies Act, 1983 did not apply to the petitioner. The respondent stated that the petitioner was an associate member of the society and therefore,



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the petitioner was governed only by the provisions of the bye-laws of the Society and hence the petitioner had no locus standi to claim relief under Section 25 of the Tamilnadu Co-operative Societies Act or under Rule 37 of Tamilnadu Co-operative Societies Rules, which provisions were applicable to Members only. The respondents stated that under the bye-laws, there were no specific provisions for affording opportunity for removal of the Associate Member. The respondents further stated that the petitioner was dismissed from services of Tata Communications Limited on 16.10.2021 for the misconducts committed by her and hence under Section 23(4) of the Tamil Nadu Co-operative Societies Act, she could not claim to become a member of Co-operative Society in any form, including as an associate member or as a share holding member. The respondent further stated that the petitioner admitted that she was terminated from service as per bye-law, and therefore, the contention of the petitioner that she was removed vindictively was untenable. The respondent asserted that



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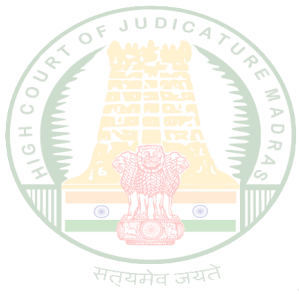
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the petitioner was removed only because she ceased to be an employee on termination. The respondent therefore, stated that the writ petition did not deserve merit.

4. The second respondent filed identical counter affidavit reiterating the contentions raised by the first respondent.

5. Heard both sides. Perused the records. With consent of both sides counsels, the writ petition is taken up for final disposal.

6. The facts are not in controversy. The only issue that arises for consideration in this writ petition is, whether termination of the petitioner's associate membership by the second respondent society, as confirmed by the 1st respondent, by the impugned order is vitiated and liable to be set aside.

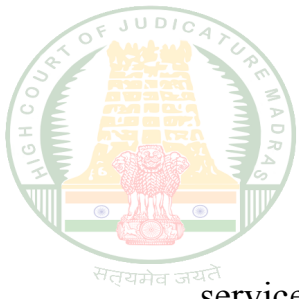


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7. A perusal of the affidavit filed in support of this writ petition discloses that the petitioner had instituted several proceedings against the numbers of the 2nd respondent society and the Board of Directors particularly in regard to the allotment of house sites/plots ad-measuring 32.5 acres in Padiyanallur, Chennai, Tiruvallur District. The petitioner asserts that the removal order came to be passed not on merits, but as a measure of retaliation and with an element of malafides, in consequence of the proceedings initiated by her against the Members and the Board of Directors of the Society, in relation to acts of mal-administration and misappropriation.

8. The contention of the petitioner is that the impugned order is vindictive in nature, as it was passed solely because she raised objections against the maladministration of the society. The respondents, on the other hand, contend that, consequent upon the dismissal of the petitioner from



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service, she cannot claim continuance as an Associate Member or as a shareholder. It is further urged that Section 25 of the Tamil Nadu Co-operative Societies Act, 1983, which provides for expulsion of members is in applicable to the petitioner, as the said provision pertains to regular members only.

9. In order to examine if Section 25 of the Tamil Nadu Co-operative Societies Act, is applicable to the case of the petitioner, it is apposite to extract the said provision which reads as follows:-

Section 25 of the Tamil Nadu Co-operative Societies Act, 1983, pertains to the expulsion of members from a registered co-operative society. Specifically, it outlines the process for expelling a member who has acted against the interests of the society.

Section 25:

(i) A resolution for expulsion must be passed by the general body at a special meeting.



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(ii) The resolution requires a two-thirds majority of the members present and voting.

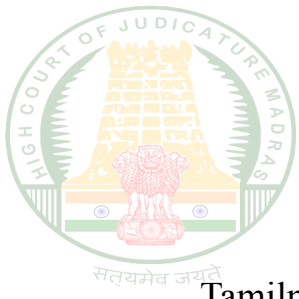
(iii) A specific quorum is required for this special meeting depending on the society's size.

(iv) The board cannot call for this special meeting unless a written requisition is submitted by at least one-fourth of the total number of members, or 25 members, whichever is less.

(v) Before expulsion, the member must be given an opportunity to present their case.

(vi) The expulsion resolution must be approved by the Registrar of Co-operative Societies, and a copy of the approved resolution must be communicated to the expelled member.

10. Section 25 of the Act, which provides the procedure for expulsion of a member who has acted against the interest of the society, makes it explicit that it applies to regular members only. Rule 32 of the Tamil Nadu Co-operative Societies Rules particularly Sub-Rules (7), (9) and (10), govern the administration of associate members and clarifies that the continuance of the associate member is regulated exclusively by the bye-laws of the Society. It is therefore, manifest that Section 25 of the



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Tamilnadu Co-operative Societies Act, has no application to Associate member. Accordingly, the contention of the petitioner that the impugned order is vitiated by non-compliance of Section 25 of Tamilnadu Co-operative Societies Act, cannot be accepted.

11. The 1st respondent, in the impugned order has noted that sufficient opportunity was extended to all 132 Associate Members by converting them into “A” class members. While others accepted such conversion, the petitioner declined to join as “A” class Member. The records further disclose that the petitioner, having been terminated from employment of the company in 2012, for misconduct ceased to be an employee; consequently, she cannot claim continuance as an associate member in an employees Co-operative Society. The Bye Laws of the society contain no provision enabling a non-employee to continue as an associate member.



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12. Under the circumstances, this Court is of the view that there is no illegality or irregularity in the impugned order passed by the first respondent. This Court finds that the impugned order is in consonance with the Act, Rules and the bye-laws governing the Society. Therefore, no interference is warranted by this Court under Article 226 of the Constitution of India.

13. Accordingly, this Writ Petition is dismissed. No costs. Consequently, connected WMP.No. 8927 of 2018 is closed.

23.06.2025

Index : Yes/No
Internet : Yes/No
Speaking Order : Yes/No
Neutral Citation : Yes/No
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N. MALA, J.,

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