



W.A.No.391 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 13.02.2025

CORAM:

THE HONOURABLE MR.JUSTICE R.SUBRAMANIAN

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.A.No.391 of 2025

and

C.M.P.No.3219 of 2025

A.Duraisamy

... Appellant

Vs.

1.The Additional Chief Secretary to Government,
Co-operation, Food and Consumer Protection Department,
Fort St. George, Chennai - 9.

2.The Registrar of Cooperative Societies,
No.170, Periyar EVR Salai,
Kilpauk, Chennai - 10.

3.The Registrar of Co operative Societies (Housing)
No.48, Ritherton Road,
Veppery, Chennai - 7.

... Respondents

PRAYER: Writ Appeal filed under Clause 15 of the Letters Patent, praying to set aside the interim order dated 24.01.2025 not extending the interim stay in W.P.No.14146 of 2024 and thereby allow the Writ Appeal.

For Appellant : Mr.N.Suresh

For Respondents : Mr.J.Ravindran, Additional Advocate General
Assisted by Mrs.Geetha Thamarai Selvan,
Special Government Pleader



W.A.No.391 of 2023

J U D G M E N T

WEB COPY (Judgment of the Court was delivered by **R.SUBRAMANIAN, J.**)

It is the grievance of the learned counsel that the stay granted of the G.O.Ms.No.37 dated 26.02.2024 has been vacated without assigning any reasons and on the basis of the wrong assurance given by the learned Additional Advocate General.

2. A perusal of the impugned Government Order shows that the Government had directed the Registrar of Cooperative Societies to enquire into the affairs of the Cooperative Society viz., AA-377, Elavamalai Cooperative Building Society as there were certain complaints of irregularities upto the value of nearly Rs.40 Crores. The direction was issued under Section 182 of the Tamil Nadu Co-operative Societies Act, 1983 on 08.06.2023.

3. After obtaining the report of the Registrar, the Government has passed the impugned Government Order directing a regular case to be registered by the Directorate of Vigilance and Anti-Corruption. Though initially the writ Court has granted stay of further proceedings pursuant to the said Government Order, the same was vacated by the order impugned in this Writ Appeal.



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4. Mr.N.Suresh, learned counsel appearing for the appellant would vehemently contend that before conducting enquiry or a special audit the notice should be given to the persons who are likely to be affected by such enquiry in terms of proviso to Section 182 of the Tamil Nadu Co-operative Societies Act, 1983. Section 182 of the Co-operative Societies Act reads as follows:-

182. Power of Government to give directions.--

(1) The Government may, in the public interest, by order, direct the Registrar to make an inquiry or to take appropriate proceedings under this Act, in any case specified in the order and the Registrar shall report to the Government the result of the inquiry made or the proceedings taken by him within a period of six months from the date of such order or such further period as the Government may permit.

(2) In any case, in which a direction has been given under sub-section (1), the Government may, notwithstanding anything contained in this Act, call for and examine the record of the proceedings of the Registrar and pass such orders in the case as they may think fit:

Provided that before passing any order under this sub-section, the person likely to be affected by such order shall be given an opportunity of making his representation.



W.A.No.391 of 2023

WEB COPY

5. Opportunity that is contemplated under proviso is one that is prior to passing of the order directing enquiry by the Registrar. The said order directing enquiry by the Registrar was made on 08.06.2023 and that is not the subject matter of the Writ Petition. The petitioner had chosen to challenge the consequence than the basis, hence, we do not find any reason to interfere with the order of the writ Court at this stage.

6. Accordingly, this Writ Appeal is **dismissed**. No costs. Consequently, the connected miscellaneous petition is closed.

(R.S.M.,J.) (G.A.M.,J.)

13.02.2025

dsa

Index : No

Neutral Citation : No

Speaking order



W.A.No.391 of 2022

To

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