



W.P.No.7771 of 2025

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 13.06.2025

CORAM:

THE HONOURABLE MRS. JUSTICE N.MALA

W.P.No.7771 of 2025
and WMP.No.8727 of 2025

B. Pichandi

... Petitioner

Vs

The Surcharge Officer/
Deputy Registrar of Co-operative
Societies,
Cheyyar Circle,
Thiruvannamalai District.

... Respondent

Prayer: Writ petition filed under Article 226 of the Constitution of India, praying to issue a writ of certiorari to call for the records relating to the impugned notice of respondent in Tha.Thi.No.01/2025Sa.Pa dated 27.01.2025 quash the same.

For Petitioner : Mr.L.P.Shanmugasundaram

For Respondents : Dr.S.Suriya
Additional Government Pleader



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ORDER

This writ petition has been filed for issuance of a writ of certiorari to call for the records relating to the impugned notice of respondent in Tha.Thi.No.01/2025Sa.Pa dated 27.01.2025 quash the same.

2. The petitioner was appointed as a clerk in Randham Primary Agriculture Co-operative Credit Society Ltd, on 31.08.1993 and was subsequently promoted as a Secretary in the year 1999, a post he continues to hold till date. The Tamil Nadu Government issued G.O.(Ms) No.50, Co-operation, Food and Consumer Protection Department, dated 23.05.2016 and G.O. (Ms).No.59, Co-operation, Food and Consumer Protection Department, dated 28.06.2016, introducing the crop loan waiver scheme, 2016, for waiving crop loans outstanding as on 31.03.2016. Pursuant thereto, the Registrar of Co-operative Societies, Kilpauk, Chennai – 10, issued the operational guidelines for the implementation of the said scheme vide letter Na.Ka.36363/Ve.Ka.Thi. Dated 30.06.2016. While so, the Deputy Registrar of Co-operative

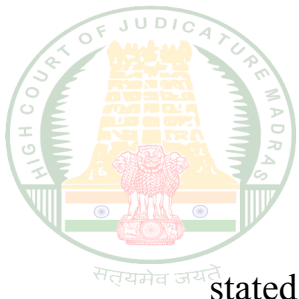


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Societies, ordered for an inquiry under Section 81 of the Tamil Nadu Co-operative Societies Act, 1983.

3. Upon conclusion of the enquiry, the enquiry officer recommended initiation of proceedings under Section 87(1) of the Tamil Nadu Co-operative Societies Act, 1983 in respect of the total loss of Rs.27,86,322/- caused to the said Primary Agriculture Co-operative Credit Society, pertaining to losses under items Nos.1 to 6 of the waiver scheme, 2016. Later, the petitioner was served with a notice on 27.01.2025, comprising 7 items of financial loss caused to the society. Since those items were the subject matter of surcharge order No.02/2019 (Na.Ka.201/2018 Sa.Pa) dated 02.12.2019, in which the petitioner was exonerated, the petitioner contended that impugned notice was issued without jurisdiction and was beyond the scope of Section 87 of the Tamil Nadu Co-operative Societies Act, 1983. The petitioner stated that Section 87 of the Co-operative Societies Act, contemplated action only in cases of misappropriation, fraudulent retention or unlawful transfer of funds or property or deficiency caused to the assets of the society. The petitioner



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stated that as none of the above contingencies arise in the present case the impugned notice was without authority of law and hence deserved to be quashed.

4. The respondent filed a counter admitting that out of the 7 items of financial loss specified in the impugned notice, items 3 to 7 were already dealt with in Surcharge Award 2/19 dated 02.12.2019, under which the petitioner and another person were exonerated. The respondent further stated that in view of the above fact, the representation of the petitioner was accepted and the petitioner was assured that he would be proceeded against only in respect of S.No.1 and 2, which did not form a part of the earlier Surcharge Award No.02/2019. The respondent reiterated that in respect of items Sl.No.3 to 7, no Surcharge Award would be passed. The respondent further assured that the Surcharge proceedings initiated by impugned notice dated 27.01.2025, would be confined to item No.1 and 2.

5. Heard both sides and perused the materials placed on record.



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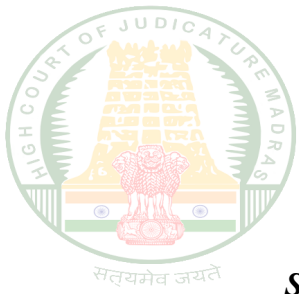
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With consent of both counsels, the main writ petition is taken up for final disposal.

6. It is seen that in the impugned notice 7 items of loss are mentioned. However with respect to items 3 to 7, the petitioner contends that he was already exonerated under Surcharge Award No.2/19 dated 02.12.2019. The respondent in its counter affidavit stated as follows:-

“ 7. It is submitted that it is pertinent to mention here that the Surcharge Notice dated 27.01.2025 is issued based on enquiry officer's recommendation it consists financial losses in 7 items. Based on the surcharge notice the petitioner appeared on 01.03.2025 and represented out of that 7 financial loss items S.No.3 to 7 financial loss items were already dealt in Surcharge Award No.02/2019 (Na.Ka.201/2018 Sa.Pa) dated 02.12.2019 in which the petitioner and another have been exonerated from the Surcharge award. The petitioner representation is considered and accepted by respondent.

8. Under these circumstances, this respondent hereby assures to proceed the Surcharge proceedings only in respect of S.No.1 and which is not covered by earlier Surcharge Award No.02/2019 dated 02.12.2019. This respondent assures that in respect of S.No.3 to 7, no



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Surcharge Award will be passed and it was not insisted and no hearing on that will be held. It is humbly submitted that after duly following the principles of natural justice in letter and spirit, the Surcharge proceedings relates to notice dated 27.01.2025 only in respect of S.No.1 and 2 will be processed ”.

7. In view of the categorical submission of the respondent that the enquiry under the impugned notice will be confined to items 1 & 2 of the impugned notice, the apprehension of the petitioner is found to be baseless. Under the facts and circumstances of the case, I am inclined to pass the following directions:-

1. The petitioner is directed to submit his explanation with regard to financial loss in respect of items 1 & 2 alone, within a period of two weeks from the date of receipt of a copy of this order.
2. On receipt of the explanation, the respondent shall conduct an enquiry and conclude the proceedings within a period of twelve weeks thereafter.
3. The petitioner is further directed to cooperate in the enquiry for its disposal within the time stipulated by this Court.



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8. With the above directions, the writ petition is disposed of. No costs. Consequently, connected miscellaneous petition is also closed.

13.06.2025

dpq
Index: Yes/No
Speaking order / Non speaking order

To

The Surcharge Officer/
Deputy Registrar of Co-operative
Societies,
Cheyyar Circle,
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N. MALA, J.

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