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W.P.No.24179 of



IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED : 10.12.2025**

CORAM

**THE HONOURABLE MR.JUSTICE V. LAKSHMINARAYANAN**

**W.P.No.24179 of 2025**

Mr.S.Kalaiyaran

... Petitioner

Vs.

1. The Registrar, Office of the Registrar of Co-operative Societies,  
NV Natarajan Maligai, No.170, Periyar E.V.R High Road,  
Kilpauk, Chennai – 600 010.  
[R1 deleted vide order dated 09.12.2025 in WMP No.40940 of 2025]

2. The Joint Registrar,  
Office of the Joint Registrar of Co-operative Societies,  
Cuddalore Region, No.3, Beach Road,  
Saravanabava Complex, Cuddalore – 1.

3. The Deputy Registrar,  
Office of the Deputy Registrar of Co-operative Societies,  
Cuddalore Circle, No.3, Beach Road,  
Saravanabava Complex, Cuddalore – 1.

4. The Special Officer,  
N.L.C Employees' Co-operative Thrift and Credit Society,  
Circle – 11, Neyveli – 607803.

5. The Secretary, N.L.C Employees' Co-operative Thrift and Credit Society,  
Circle – 11, Neyveli – 607803.

6. Mr.P.Thirumavalavan

... Respondent(s)

**Prayer:** Writ Petition is filed under Article 226 of the Constitution of India,



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to issue a Writ of Mandamus, to direct the respondents 1 to 3 to consider the petitioner's representation dated 05.05.2025 and consequently direct the 4<sup>th</sup> and 5<sup>th</sup> respondents to release the amount of Rs.4,67,000/- towards the petitioner's share and small savings and pass such further or other orders as this Hon'ble Court may deem fit and proper.

|                |                                                 |
|----------------|-------------------------------------------------|
| For Petitioner | : Mr.M.Palanivel                                |
| For R1 to R3   | : Mr.R.Moorthy,<br>Government Advocate          |
| For R4 & R5    | : Dr.S.Suriya,<br>Additional Government Pleader |
| For R6         | : No appearance                                 |

### **ORDER**

The petitioner is an Ex-employee of the Neyveli Lignite Corporation. His Membership Number in the fourth respondent Society is 19278. His CPF Number is 31698. The sixth respondent herein was also an employee of the Neyveli Lignite Corporation. He too, was a member of the fourth respondent Society. The sixth respondent had taken two loans on 13.12.2019 and 07.04.2021 for a sum of Rs.3,00,000/- and Rs.12,00,000/-, respectively. The petitioner had stood as a guarantor for the said loan transactions. The manner of repayment of these loans was by deduction from the monthly salary of the sixth respondent. This was going on for a while till the sixth



respondent, being a trade union leader, was suspended from service when the employees of the Neyveli Lignite Corporation struck work. Consequently, the deduction did not take place.

2. The sixth respondent was restored in service, but the amounts were not recovered immediately. Therefore, a sum of Rs.10,000/- was recovered from the petitioner for a period of eight months. The petitioner engaged the services of a lawyer and issued a notice, stating that the outstanding amounts should not be recovered from his salary. He also filed a suit in O.S.No.44 of 2023 and obtained an order of interim injunction restraining the respondents from recovering amounts from his salary.

3. In the meantime, the sixth respondent retired from service on 28.02.2025. The fifth respondent adjusted the savings account of the sixth respondent against the loans and also recovered the amounts from his shares, thrift deposit, and term deposit. Despite these adjustments, a sum of Rs.27,440/- remains payable.

4. The writ petitioner approached the respondents 1 to 4 by way of a representation, stating that he has to his credit with the fifth respondent



Society, a sum of Rs.4,67,000/-. This amount was quantified by the petitioner towards the value of his shares, thrift deposit, and the balance in his small savings account. As the amounts were not disbursed, he is before this court. I should add here that the petitioner retired from service on 31.12.2024.

5. As the matter revolves around on a narrow compass, I called upon Dr.S.Surya, Additional Government Pleader, who appears for the fourth and fifth respondents, to get instructions regarding the amount outstanding towards the loan liability of the sixth respondent. Dr.S.Surya has obtained instructions from Mr.N.Prabakaran, Co-operative Sub-Registrar-cum-Administrator of the fifth respondent Society. Mr.Prabakaran has stated that the amount outstanding towards the loan given to Mr.Thirumavalavan as of December, 2025 is Rs.27,440/-. The said instructions have been scanned and extracted hereunder:-



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Employees' Co-op.

Thrift &amp; Credit Society Ltd., E.2613.

04142-252449 [Gandhiyir]

☎ 75620 [NLC]

email : nlc-thriftsociety@gmail.com

NORTH PROMANADE ROAD, BLOCK-12, MAIN BAZAAR, NEYVELI - 607 803.

Date : 10-12-2025

N.Prabhakaran, MBA, MPhil, M.Sc., DIRECT, IHCM,  
Co-op Sub Registrar/AdministratorK.Manickavelu  
Secretary I/c.Member Name :  
Mr.P.Thirumavalavan Member No. 27157 CPF No.37192MTL (Mid Term Loan) Rs.12,00,000/-  
EDL (Education Loan) Rs.3,00,000/-

| Loans | Balance (Till 31.03.2025) |          |             |
|-------|---------------------------|----------|-------------|
|       | Principle                 | Interest | TOTAL       |
| MTL   | 4,08,550.00               | 2,908.00 | 4,11,458.00 |
| EDL   | 58,425.00                 | 585.00   | 59,010.00   |
|       | TOTAL Balance             |          | 4,70,468.00 |

| Saving Amount (Till 31.03.2025) |             | Share Amount (Till 31.03.2025) |             |
|---------------------------------|-------------|--------------------------------|-------------|
| TD (Thrift Deposit)             | 2,77,350.00 |                                | 1,17,500.00 |
| TD Interest (8%)                | 33,818.00   | Dividend Amount (14%)          | 16,800.00   |
| TOTAL Savings                   | 3,11,168.00 | TOTAL Share amount             | 1,34,300.00 |

| Adjusted to MTL, EDL |             |                                      |             |
|----------------------|-------------|--------------------------------------|-------------|
| TOTAL Savings amount |             | TOTAL Adjusted amount                |             |
| Savings Amount       | 3,11,168.00 | TOTAL Loan amount                    | 4,70,468.00 |
| Share Amount         | 1,34,300.00 | TOTAL Savings amount                 | 4,45,468.00 |
| TOTAL Savings amount | 4,45,468.00 | Till to 12/2025 Balance Amount (Pri) | 25,000.00   |
|                      |             | Till to 12/2025 Balance Amount (Int) | 2,440.00    |
|                      |             | Till 12/2025 Total Balance           | 27,440.00   |

  
Secretary (I/c)



6. The liability of the petitioner with respect to the loan amounts taken by the sixth respondent cannot be disputed. The liability of a guarantor is co-extensive with that of the principal debtor. If the principal debtor defaults, the creditor can proceed against both, the principal debtor, as well as the guarantor, jointly and severally. Yet, the liability of the petitioner cannot exceed the amounts, which the sixth respondent owes the Society. The calculation extracted above shows that the amount outstanding is only a sum of Rs.27,440/-. According to Mr.M.Palanivel, the amount that the petitioner has to get is Rs.4,67,000/-. This is, atleast twenty times, the amount that the petitioner is liable to pay to the Society. Hence, this writ petition is disposed giving the following directions:-

- (i) The fourth and fifth respondents shall calculate the value of the petitioner's share and the amount lying in the small savings account;
- (ii) After they arrive at the figure as mentioned in Clause (i), they shall deduct a sum of Rs.27,440/-;
- (iii) They shall issue a 'No Due Certificate' to the petitioner once the amount is deducted;
- (iv) Pay the remaining balance to the petitioner



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immediately on such adjustment; and,

(v) The said exercise shall be completed on or before

29.12.2025. No costs.

**10.12.2025**

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Index : Yes / No

Speaking order / Non-speaking order

Neutral Citation : Yes / No

To

1. The Joint Registrar,  
Office of the Joint Registrar of Co-operative Societies,  
Cuddalore Region, No.3, Beach Road,  
Saravanabava Complex, Cuddalore – 1.
2. The Deputy Registrar,  
Office of the Deputy Registrar of Co-operative Societies,  
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**V. LAKSHMINARAYANAN, J.**

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