



W.P.(MD).No.24599 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED : 17.03.2025

CORAM:

THE HONOURABLE MR.JUSTICE VIVEK KUMAR SINGH

W.P.(MD)No.24599 of 2024

G.Subburathinam

... Petitioner

-VS-

1.The Deputy Registrar of Cooperative Societies,
Palani Circle, 11/223, Raja Nagar,
Lakshmipuram,
Palani, Dindigul District.

2.The President,
D.D.646, Kulathur Primary Agricultural,
Cooperative Credit Society Limited,
Kulathur,
Dindigul District - 05.

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, directing the 1st respondent to receive the surcharge amount of Rs.5,66,802/- from the petitioner by waiving the interest portion of 18% or by modifying the interest portion in Tha.Va.No.16/2019 Sa.Pa dated 10.02.2020 and consequently direct the 1st respondent to raise the attachment and drop further proceedings of sale pertaining to property in S.F.No.298 with an extent of 1869 $\frac{3}{4}$ sq.ft in Plot No.12 situated at Seelapadi Revenue Village, Dindigul Joint Sub - Registration, Dindigul District in E.P.No.5/2020-21 on the file of the 1st respondent.



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For Petitioner : Mr.R.Satheesh
For Respondents : Mr.J.K.Jayaselan,
Government Advocate

ORDER

This writ petition has been filed seeking a direction to the 1st respondent to receive the surcharge amount of Rs.5,66,802/- from the petitioner by waiving the interest portion of 18% or by modifying the interest portion in Tha.Va.No.16/2019 Sa.Pa dated 10.02.2020 and also to direct the 1st respondent to raise the attachment and drop further proceedings of sale pertaining to property in S.F.No.298 with an extent of 1869 $\frac{3}{4}$ sq.ft in Plot No.12 situated at Seelapadi Revenue Village, Dindigul Joint Sub - Registration, Dindigul District in E.P.No.5/2020-21 on the file of the 1st respondent.

2. The petitioner is the former Secretary of the second respondent society. Due to certain allegations, an enquiry was conducted against the petitioner and others and surcharge proceedings was also initiated, for which the petitioner has rendered her explanation. However, the first respondent, passed an order dated 10.02.2020 demanding a sum of Rs.5,66,802/- with



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interest at the rate of 18% per annum. The petitioner preferred an appeal before the Principal District Court cum Cooperative Tribunal in CMA(CS)No.8/2020. In the meanwhile, the first respondent initiated the execution proceedings in EP No.5/2020-21 to bring the property which has already been attached for sale.

3. The learned counsel appearing for the petitioner submits that the petitioner is now ready and willing to pay the said amount and also to drop the further proceedings of the sale. However, he requested to waive the interest alone and therefore, the petitioner made a representation to the respondents on 05.10.2024. But the same has not been considered so far. Hence, this petition came to be filed.

4. The learned counsel appearing for the petitioner, by citing the judgment of this Court in *R.Srinivasan vs. The Special Tribunal for Cooperative Cases, Madurai and Others* reported in *1997 (2) MLJ 112*, further submits that charging interest at the rate of 18% per annum is not only exorbitant but also arbitrary, which has also been followed by this Court in WP(MD)No.23582 of 2022 dated 18.10.2022.



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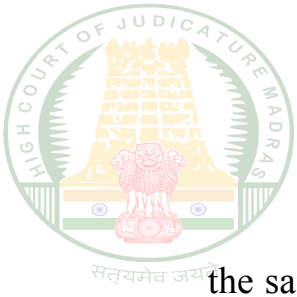
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5. The learned Government Advocate appearing for the respondents submits that the petitioner may be permitted to pay the surcharge amount of Rs.5,66,802/- with interest at the rate of 6% per annum as per the earlier orders of this Court.

6. Heard the learned counsel on either side and perused the materials placed before this Court.

7. In the judgment relied upon by the learned counsel appearing for the petitioner in WP(MD)No.23582 of 2022 dated 18.10.2022, this Court has fixed the interest at the rate of 6% per annum, which would be reasonable for the surcharge amount payable by the petitioner and hence, in this case also, the interest rate is fixed at 6%.

8. Considering the aforesaid submissions and also considering the facts and circumstances of this case, this Court directs the petitioner to pay the surcharge amount of Rs.5,66,802/- along with interest at the rate of 6% per annum to the first respondent within a period of two months from the date of receipt of a copy of this order and the first respondent, in turn shall receive



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the said amount and release the petitioner's property which has been attached for sale. In case of failure on the part of the petitioner to pay the amount as aforesaid, the authorities are at liberty to proceed further in accordance with law.

9. With the above observations and directions, the Writ Petition stands disposed of. There shall be no order as to costs.

17.03.2025

NCC : Yes/No
Index : Yes / No
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TO:-

1.The Deputy Registrar of Cooperative Societies,
Palani Circle, 11/223, Raja Nagar,
Lakshmipuram,
Palani, Dindigul District.

2.The President,
D.D.646, Kulathur Primary Agricultural,
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VIVEK KUMAR SINGH, J.

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Order made in
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Dated:
17.03.2025