



WEB COPY

CRP No. 136 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01-06-2026

CORAM

THE HON'BLE MR.JUSTICE K. SURENDER

CRP No. 136 of 2024

The Park Town Co-operative Wholesale Stores
Ltd
Rep. by its Managing Director, G-133, 1st Main
Road, Anna Nagar (East), Chennai-600 102

..Petitioner(s)

Vs

1. T.Aruna
2. The Deputy Registrar Of Co-operative Societies
(Credit), Kruialagam, Chennai-108

..Respondent(s)

Prayer: This Civil Revision Petition is filed under Article 227 of Constitution of India to call for the record of the impugned order of Judgement and Decree in CMA No.51 of 2018 dated 21.04.2023 passed by the Presiding Officer/Chief Judge Special Tribunal for Co Operatives cases, Small Causes Court at Chennai and set aside the same by allowing this CRP.

For Petitioner(s): Mr.Ganapathy Thangavel

For Respondent(s): M/s.M.Devaraj for R1
Mr.Hemanthkumar for R2



ORDER

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This Civil Revision Petition has been filed challenging the judgment and decree dated 21.04.2023 passed in C.M.A. No. 51 of 2018 by the Presiding Officer / Chief Judge, Special Tribunal for Cooperative Cases, Court of Small Causes, Chennai.

2. Briefly the facts of the case are that the first respondent herein was employed as a Pharmacist in a medical shop run by the petitioner Co-operative Society. During the relevant period, certain medicines supplied to the medical shops became time-barred/expired, resulting in alleged loss to the Society. An enquiry was thereafter conducted under Section 81 of the Tamil Nadu Co-operative Societies Act, 1983. The case of the Society was that the loss had occurred due to failure on the part of the concerned employees, including the first respondent, to identify and return the expired medicines within time. On the other hand, the first respondent contended that the purchase, distribution and return of the medicines were under the control of the Special Officers/Management of the Society and that a Pharmacist employed in the medical shop could not be held personally responsible for the alleged loss. Based on the findings of the enquiry officer, surcharge proceedings under Section 87 of the Tamil Nadu Co-operative Societies Act, 1983 were initiated against the first respondent and others for the alleged loss caused to the Society

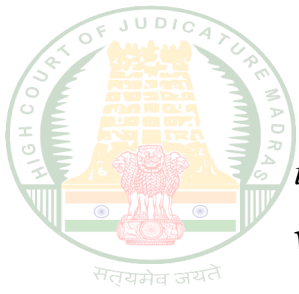


and surcharge orders were passed by fastening the liability upon the first respondent. Aggrieved by the same, the first respondent herein, T. Aruna, approached the Special Tribunal for Cooperative Cases, Chennai, by way of an appeal in C.M.A. No. 51 of 2018, seeking to set aside the said surcharge order. By an order dated 21.04.2023, the Tribunal disposed of the said appeal, by setting aside the surcharge order passed under Section 87 of the Tamil Nadu Co-operative Societies Act, 1983.

3. The present Civil Revision Petition is preferred primarily on the ground that the petitioner Co-operative Society was not impleaded as a party to the proceedings in C.M.A. No. 51 of 2018 before the Special Tribunal for Cooperative Cases, Chennai.

4. The learned counsel for the petitioner places strong reliance on the orders passed by this Court in C.R.P. Nos. 3267, 1935, and 1936 of 2022. In those cases, which were identically disposed of by this Court, it was observed that the Co-operative Society concerned had not been made a party to the statutory appeals filed under Section 152 of the Act. The relevant portions of the said orders read as under:

"6. Unfortunately, the Appeal under Section 152 of the Act was filed without impleading the revision petitioner Cooperative Society as a party. Non-impleadment of the Cooperative Society

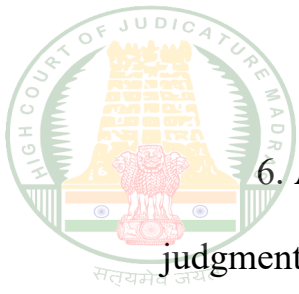


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in the Appeal before the Cooperative Tribunal is vital and it vitiates the entire proceeding, since they are the necessary party to the Appeal, more so, when the financial irregularities and illegalities occurred in the revision petitioner / Cooperative Society.7. When the revision petitioner / Cooperative Society is the aggrieved person and the surcharge proceedings are initiated to recover the loss occurred in the petitioner/ Cooperative Society, there cannot be an Appeal without impleading the aggrieved Cooperative Society in favour of whom the surcharge proceedings are initiated under Section 87 of the Act. It goes to the root of the matter. The Society is not a formal party; they are a necessary party and, more so, an aggrieved person in the eye of law. That being the factum, the Cooperative Tribunal also failed to notice this, which hits the principles of Audi Alteram Partem and passed an order against which the present revision petition is filed.”

5. In the instant case, since the petitioner Co-operative Society was not impleaded as a party to C.M.A. No. 51 of 2018, it is evident that no opportunity of hearing was afforded to them. In view of this fundamental defect, this Court is not inclined to dwell into the merits of the case or discuss the other grounds raised by the first respondent. Since the order was passed by the Tribunal without arraying the Co-operative Society as a party, the impugned order is a nullity and legally unsustainable. Consequently, this Civil Revision Petition deserves to be allowed.



6. Accordingly, the Civil Revision Petition stands allowed. The impugned judgment and decree passed in C.M.A. No. 51 of 2018 dated 21.04.2023 is set aside, and the matter is remitted back to the Special Tribunal for Cooperative Cases, Chennai, for fresh consideration. The Tribunal shall afford a fair opportunity of hearing to the petitioner Co-operative Society.

7. The learned counsel appearing for the first respondent submits that the first respondent will file an appropriate application before the Tribunal to implead the petitioner Co-operative Society. Upon the filing of such an impleading application, the Tribunal shall array the petitioner Society as a party, provide them an opportunity of personal hearing, and dispose of the matter on merits and in accordance with law, as expeditiously as possible. No costs.

K.SURENDER, J.
01-06-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

JAI

To
1. The Deputy Registrar Of Co-operative Societies
(Credit), Kruialagam, Chennai-108



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