



WEB COPY

WP No. 41319 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04-02-2026

CORAM

THE HON'BLE MR JUSTICE M.DHANDAPANI

WP No. 41319 of 2025

and

WMP No. 46263 of 2025

P. Edison

..Petitioner(s)

Vs

1. The Joint Registrar
Of Co-operative Societies /common Cadre
Authority, Namakkal Region, Namakkal District.
2. The Administrator
S-210, Vengari Primary Agricultural Co-operative
Credit Society Ltd., Namakkal District.

..Respondent(s)

Writ Petition filed under Article 226 of Constitution of India,
praying to issue a Writ of Certiorarified Mandamus, calling for the records of



the impugned order passed by 1st respondent in Na.Ka.2072/2024 Tho. Va.Sa. dated 28.06.2024 and quash the same and consequently, directing the respondents to pay the petitioners balance retirement benefits of sum Rs.9,24,354/- with 10 percentage statutory interest of Rs.1,23,585/- from the date of retirement i.e., 30.06.2024 till the payment is made within stipulated time as fixed by this Honble Court.

For Petitioner(s): M/s. L.P. Shanmugasundaram

For Respondent(s): Ms.S.Geetha Thamaraiselvan for R1
Special Government Pleader
Mr.M.Murali for R2
Government Advocate

ORDER

This petition has been filed challenging the order passed by the 1st respondent dated 28.06.2024 and seeking a direction to the respondents to pay the petitioner's balance retirement benefits amounting to Rs.9,24,354/- along with statutory interest at 10% amounting to Rs.1,23,585/- from the date of retirement i.e., 30.06.2024 till the date of actual payment, within the stipulated time to be fixed by this Honble Court.



2. The case of the petitioner is that the petitioner joined as a Clerk in the 2nd respondent Society on 15.06.1990, and his services were regularised on 01.07.1991. Thereafter, he was promoted as Senior Clerk, Assistant Secretary and Secretary. The petitioner was permitted to retire from service on 30.06.2024, however, his full retirement benefits were not settled, and the balance retirement benefits amounting to Rs.9,24,354/- were withheld. The denial of retirement benefits by the 2nd respondent is illegal, on the ground that the members were not paid the loan amount, for which the respondents cannot retain the petitioner's retirement benefits. The petitioner made representations on 14.07.2024, 08.11.2024, 14.03.2025 and 03.10.2025, however, the same have not been considered till date. Hence the present writ petition has been filed.

3. The learned counsel appearing for the petitioner would submit that, even assuming there was any default in recovering the decree amount, the same can be recovered from the existing employees, therefore, withholding the terminal benefits of the petitioner is not sustainable. In the present case, no disciplinary proceedings or criminal case is pending against the petitioner, and withholding the entire terminal benefits on the ground of non-recovery of the decree amount is not sustainable. However, the decree amount, if any, can be



recovered from the existing employees. Accordingly, he prayed for appropriate orders.

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4. Per contra, the learned Special Government Pleader appearing for the 1st respondent did not dispute the facts submitted by the petitioner. However, the learned Special Government Pleader submitted her written instructions wherein, in paragraph 5.2 and 5.3, it is stated as follows:

5.2. It is submitted that the petitioner was appointed as a Clerk on 15.06.1990 in the respondent Society and subsequently, promoted as Senior Clerk on 01.12.2012, Assistant Secretary on 15.12.2016 and Secretary on 02.01.2024, and was posted at Pillikkalpalayam Society. The petitioner attained the age of superannuation on 30.06.2024 as the Secretary of the Society.

5.3. It is submitted that while the petitioner was working as Secretary in-charge in the 2nd respondent Society from 16.08.2013 to 30.11.2019, a Title Deed Pledge Loan amounting to Rs.3,11,355/- was pending realization till his retirement and thereby causing a loss of Rs.3,11,355/- and interest of Rs.6,12,999/- (upto 30.06.2024) totalling a sum of Rs.9,24,354/- to the Society. After filing an Arbitration claim u/s.90 of the Tamil Nadu Cooperative Societies Act, 1983, Award was



obtained on two Title Deed Pledge Loan on 14.12.2007 and 07.06.2012 during the tenure of the petitioner. As per the provisions of the Act, 1983 and rules made there under, execution petition has to be filed within 12 (twelve) years. It is pertinent to mention here that the petitioner worked in the Society as Secretary-in-charge from 16.08.2013 to 30.11.2019, duty cast upon the petitioner as Secretary, to file Execution Petition as soon as Award u/s.90 of the Act, 1983 was obtained. But, the petitioner miserably failed to file an execution petition within 12 years from the date of Arbitration Award and caused huge loss to the tune of Rs.9,24,354/- (with interest upto 30.06.2024) for which he has to make good the loss caused to the Society. Employer's contribution amount under EPF stood as Rs.9,66,887/- on the date of retirement on 30.06.2024. Under these circumstances, the first respondent vide his Proc.No.2072/2024 PACS(1) dt. 28.06.2024 permitted the petitioner to retire from service and directed to withheld a sum of Rs.11,13,682/- [Principal Rs.3,68,976/- and interest on it Rs.7,44,706/-] from his terminal benefits.

5.Considering the facts and circumstances of the case, admittedly, the petitioner retired from service as Secretary in the 2nd respondent Society. It is stated that while he was working as Senior Clerk in the 2nd



respondent Society, he failed to recover the decree amount, and therefore, his terminal benefits were withheld. However, the decree amount can be recovered from the existing employees, and withholding the terminal benefits of the petitioner for the said reason is not sustainable. Hence, there is no justification for passing the impugned order dated 28.06.2024 withholding the terminal benefits. Accordingly, the impugned order of the 1st respondent dated 28.06.2024 is hereby set aside. The respondents are directed to settle the petitioner's terminal benefits along with applicable with interest, within a period of twelve (12) weeks from the date of receipt of a copy of this order.

6. With the above directions, this writ petition is allowed. No costs. Consequently, connected miscellaneous petition is closed.

04-02-2026

Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

UMA



To

1. The Joint Registrar
Of Co-operative Societies /Common Cadre
Authority, Namakkal Region, Namakkal District.
2. The Administrator
S-210, Vengari Primary Agricultural Co-perative
Credit Society Ltd., Namakkal District.



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