



W.P.(MD) No.7749 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 17.03.2026

CORAM

THE HON'BLE MR.JUSTICE MUMMINENI SUDHEER KUMAR

W.P.(MD) No.7749 of 2023

and

W.M.P.(MD) No.7196 of 2023

G.Chitra Devi

... Petitioner

Vs.

- 1.The Deputy Registrar (Diarying)
of Cooperative Societies,
The Deputy Registrar Office,
Manamadurai,
Sivagangai District.
- 2.The Senior Inspector / Enquiry Officer,
O/o. The Deputy Registrar (Diarying),
Manamadurai, Sivagangai District.
- 3.The President, MS-194,
Alavakottai Milk Producers
Cooperative Society,
Alavakottai Village and Post,
Sivagangai District.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus to call for the records pertaining to the impugned order of Enquiry notice under Section 81 of the Cooperatives Societies Act, issued by the second respondent dated



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29.03.2023 directing the petitioner to appear before the second respondent on 06.04.2023 at 2.00 P.M. and to quash the same as illegal, improper, unlawful, unconstitutional and arbitrary and consequently direct the respondents not to initiate any vindictive action against the petitioner based on the petitioner's representation dated 01.03.2023.

For Petitioner : Mr.R.Murugan

For R1 & R2 : Mr.B.Ramanathan
Additional Government Pleader

For R3 : Mr.E.Mareeskumar

ORDER

This Writ Petition has been filed challenging the notice issued under Section 81 of the Tamil Nadu Co-operative Societies Act, 1983 [hereinafter referred to as the “Act”], alleging that in respect of the irregularities alleged against the petitioner for the same financial year, earlier an enquiry was conducted under Section 81 of the Act, resulting in the passing of an order under Section 87 of the Act. The said order is the subject matter of an appeal in C.M.A.(C.S.) No.2 of 2022, pending on the file of the Co-operative Society Tribunal / The Principal District Court, Sivagangai.



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2. Thus, it is the main contention on which the impugned notice is sought to be challenged that for the very same set of facts, a second enquiry is sought to be conducted by issuing the impugned notice under Section 81 of the Act.

3. As against the said contention, the first respondent filed the counter affidavit stating that the subject matter of the earlier enquiry conducted under Section 81 of the Act and the surcharge order passed under Section 87 of the Act is in respect of a different allegation against the petitioner and the present enquiry is on a different set of facts and narrated the same in paragraphs 6 and 7 of the counter affidavit, which read as under:

“6. I submit that the Petitioner has committed a revenue loss to the Society by her following illegal acts viz., (i) Selling the Cattle feed sack for a sum of Rs. 1100/- instead of Rs.840/- through the agents to the Society members and other private individuals in the manner of causing loss to the society to a tune of Rs. 3,55,440/-. (ii) Purchasing the milk outside of the jurisdictional limits mentioned in the Society's Bylaw and created a false account as milk cost payment made to the producers as Rs.30/- though they were given only Rs.29/- per litre by which causing a loss of Rs. 5,47,471/- (iii) putting the signature of the President and issued the bills to the tune of Rs.17,170/-. During the Section 87 enquiry it is found that the 1 and 2nd



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charges were proved and through which the Petitioner has committed a revenue loss of Rs.2,85,060/- and Rs. 2,80,640/- and it is directed to recover the said amount with interest @ 18% from the Petitioner. with regard to the charge of forging the signature of President, it is recommended by the enquiry officer to take criminal action against the Petitioner.

7. I submit that while the facts stood above, only after the completion of the previous 81 enquiry the audit for the year 2019-2020 has been completed and report received. It is further found from the audit report of the financial year 2018-2019 that the Petitioner has caused additional revenue loss to the society to a tune of Rs.960672.50/- in the Milk selling transactions and for the financial year 2019-2020 during the final audit it is found out the revenue loss is Rs.482639.30/- totally comes to a sum of Rs.14,43,365.80/-. Therefore the Deputy Registrar (Dairying) Manamadurai appointed an Enquiry Officer by the proceedings ந.க.எண்: 1370/21/2022 நாள்: 21.12.2022 to enquire the same. Hence the present impugned notice was served to the Petitioner to appear in person before the enquiry officer on 06.04.2023 at 2.00 pm to only to render her explanation.”

4. Against the same, no reply has been filed by the petitioner, requiring this Court to test the correctness of the statement made in the counter affidavit.

5. Be that as it may, the impugned notice issued under Section 81 of the Act is only an enquiry notice affording an opportunity to the



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petitioner. Admittedly, earlier, an enquiry has been conducted and a surcharge order has been passed against the petitioner. As rightly contended by the learned counsel for the third respondent, this Court, in the case of ***S.Ranganathan vs. The Deputy Registrar of Cooperative Societies, Chidambaram and others***, reported in 2019 Supreme (Mad) 371, has been pleased to hold that an enquiry under Section 81 of the Act can be conducted any number of times and there is no embargo under the said provision. Paragraph 21 of the said decision reads as under:

“21. With regard to the arguments advanced that the second enquiry report in respect of the same incident is impermissible, this Court is of the considered opinion that Section 81 of the Act contemplates the fact finding in respect of the administrative affairs of the Cooperative Societies. Thus, any number of enquiries are permissible and the Registrar, if not satisfied with the enquiry report submitted by the one Enquiry Officer, is empowered to order for another enquiry to identify all other left out discrepancies or lapses. Even otherwise also, the Registrar is empowered to order for Section 81 enquiry at any point of time and more than the one action. There is no restriction or otherwise in respect of the number of enquiries to be conducted under Section 81 of the Act. Ultimately, the Registrar is duty bound to find out the administration affairs of the Cooperative Societies and initiate al suitable actions in accordance with the provisions of the Act.”



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6. Since the impugned notice issued under Section 81 of the Act is only an enquiry notice affording an opportunity to the petitioner, if the petitioner is of the view that the subject matter of the present enquiry has already been enquired into during the course of the previous enquiry resulting in the passing of an order dated 27.01.2022 under Section 87 of the Act, it is always open for the petitioner to bring the same to the notice of the first respondent by submitting her explanation while participating in the enquiry under Section 81 of the Act. In case the petitioner takes any such stand and the same is not properly looked into by the first respondent, it is always open for the petitioner to come back to this Court once there is a finding on the factual aspects. As the disputes sought to be agitated in the present Writ Petition are all on factual aspects as to what is exactly the subject matter of enquiry in the earlier round of litigation and the present proposed enquiry, this Court, while exercising its jurisdiction under Article 226 of the Constitution of India, is not inclined to entertain the same at this stage.

7. In the light of the above, this Court is not inclined to entertain this Writ Petition against the impugned notice under Section 81 of the Act. Accordingly, this Writ Petition is dismissed, leaving it open to the



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petitioner to submit her reply to the impugned notice and participate in the enquiry under Section 81 of the Act. In case any adverse orders are passed and an adverse report is submitted, it is always open to the petitioner to contest the same in accordance with law. The first respondent is directed to conduct the enquiry pursuant to the impugned notice without being influenced by any of the observations made in this order. No costs. Consequently, the connected Miscellaneous Petition is closed.

17.03.2026

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NCC : Yes / No
Index : Yes / No
Internet : Yes / No

To

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of Cooperative Societies,
The Deputy Registrar Office,
Manamadurai,
Sivagangai District.
- 2.The Senior Inspector / Enquiry Officer,
O/o. The Deputy Registrar (Diarying),
Manamadurai, Sivagangai District.



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MUMMINENI SUDHEER KUMAR, J.

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