

No.RCS/CLC/Direction /2026/ 291
GOVERNMENT OF PUDUCHERRY
CO-OPERATIVE DEPARTMENT (Legal Cell)
V.V.P Nagar, Thattanchavady
Puducherry – 605 009.

Puducherry, the 3rd February, 2026

Proceedings of the Registrar of Cooperative Societies, Puducherry

Present: Thiru. A.ILANGOVANE
Registrar of Cooperative Societies.

Sub: Commitments made by the Managing Director/Administrator/Special Officer/President of the Cooperative Societies before the Hon'ble Courts – Filing of Counters --- Compliance of Orders of Hon'ble Court -- Directions under Section 81 of the Puducherry Cooperative Societies Act, 1972 – Issued.



WHEREAS the Registrar of Cooperative Societies often appoints Administrator / Special Officer / Three Member Committee of the Cooperative Societies in the absence of an elected committee of management to maintain the society as a stop gap arrangement. Often many societies become dormant/ inactive due to various reasons including improper administration as well as low business transaction. Therefore, many societies are not able to disburse even salary and statutory benefits to its employees. In such situations, some employees Union/ individuals approaches the Hon'ble Court seeking remedy. While furnishing the reply to the Hon'ble Court, some Managing Director/ Administrator without examining the financial position of the society commits to the Hon'ble Court stating that the dues will be settled by getting funds from the Government in the form of Grant-in-Aid, which is not mandatory on the part of the Government to settle the said dues since the Cooperative Societies are registered under the Puducherry Cooperative Societies Act, 1972 (**here after “the Act”**) and they are separate legal entity. But, the said Managing Directors /Administrators failed to settle the dues which led to contempt of Court and thereby places the Government, which is a proforma party, in an embarrassing situation.

2. **AND WHEREAS** it is to be pointed out that in a recent contempt case, it is ascertained that the Managing Director of a Cooperative Society filed an affidavit before the Hon'ble High Court, Madras, without the approval of the Government that the unpaid salary will be settled with the assistance from the Government. Thus, the suo moto commitment and the affidavit filed by the Managing Director impliedly put the financial burden upon the Government.

3. **AND WHEREAS** it is also ascertained that the Hon'ble High Court, Madras disposes certain Writ Petitions with a direction to the management of Cooperative Societies either to pass order on the representation **or** to make payments, to the Writ Petitioners, within a specific time limit. But the management of the Cooperative Societies are not honouring the Orders of the Hon'ble Court within the time limit specified in the order which leads to the filing of Contempt petition against the society as well as the proforma party i.e., Chief Secretary to Govt./ Secretary to Govt./Registrar of Cooperative Societies.

4. **AND WHEREAS** it is imperative to note that at present the Cooperative societies are managed either by a Committee of Management or three member committee or Administrator or Special Officer, as the case may be. In this regard, the undersigned is of the opinion that it is high time to issue directions in general to the President /Special Officer/ Administrator/ Managing Director of the Cooperative Societies.

5. **NOW, THEREFORE,** in view of the above and in exercise of the powers conferred by Section 81 of the Act, I hereby direct the said President / Special Officer/ Administrator / Managing Director of the Cooperative Societies as under:

(a) Not to make any financial commitment without having necessary relevant funds and without the approval of the Competent Authority, before any legal forum/ Hon'ble Courts. If any such commitments are made by the President / Special Officer/ Administrator / Managing Director without having available resources/ without the approval of the Competent Authority , it should be settled by the societies out of the resources available with them and it shall not be binding on the Government.. The President and the erring officials will be held personally liable to make good for such unviable/ unapproved commitments made before any legal forum/ Hon'ble Courts. Besides, disciplinary action will be initiated upon the erring officials.

(b) The orders of the Hon'ble High Court, Madras made in Writ Petitions with a direction to the management of Cooperative Societies either to dispose the representation of the Writ petitioners or to make any payments to the Writ Petitioners, within a specific time limit, shall be complied without fail in order to avoid filing of the Contempt petitions against the respondents.

(c) The management of the societies is directed that it shall closely monitor all their court cases and file the counter affidavits and prefer Appeals, if needed, in time without any legal lapses and a monthly status report shall be submitted to their respective Administrative Section of this Department in duplicate.

(d) The management of the societies is directed that it shall submit the Counter affidavit which involves financial commitment to the undersigned before its filing to the Hon'ble Courts. The management of the societies shall not file any counter affidavit before any legal forum / Hon'ble Court, without its submission to the undersigned.

(e) The above said directions shall be adhered without fail.

The receipt of this direction should be acknowledged.


(A.ILANGOVANE)
5/16 Registrar of Cooperative Societies

To :

The President/Administrator/ Special Officer
All the registered Cooperative societies of
Union Territory of Puducherry >> **Through the administrative branch
officers/ Regional branch officers concerned.**

Copy to:

- 1] The PS to Secretary (Cooperation) >> for the kind information of the Secretary (Coop.)
- 2] The Joint Registrar of Co-operative Societies, Puducherry.

For forwarding a copy to the societies under their administrative control:

3. The Director, Directorate of Fisheries & Fishermen Welfare, Puducherry.
4. The Dairy Development Officer, Coop.Dept, Puducherry
5. The Deputy Registrar (Planning), Coop.Dept, Puducherry.
6. The Deputy Registrar (Credit), Coop.Dept, Puducherry.
7. The Deputy Registrar (Housing), Coop.Dept, Puducherry.
8. The Deputy Registrar (Consumer), Coop.Dept, Puducherry.
9. The Deputy Registrar (Handlooms), Coop.Dept, Puducherry.
10. The Deputy Registrar (Audit), Coop.Dept, Puducherry.
11. The Deputy Registrar, Coop.Dept, Karaikal.
12. The Deputy Registrar, Coop.Dept, Mahe.
13. The Cooperative Officer, Coop.Dept, Yanam.
14. Web Editor, Cooperative Department
15. Stock File 2026.