



W.P.No.3275 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 28.08.2025

PRONOUNCED ON: 24.11.2025

CORAM

THE HON'BLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P.No.3275 of 2025

P.Ponnurangan
President,
Dharmapuri District Kongu Vellala Goundergal Sangam,
(Regd No.33/89) (Struck off)
Member Special Committee,
S/o. Ponnagounder,
4/123, Nagamarathupallam,
Naripalli Village, Harur Taluk,
Dharmapuri District.

.. Petitioner

-VS-

1. The Inspector General of Registration,
Office of the IG of Registration,
Chennai – 600 028.

2. The District Registrar (Administration)
Registrar of Societies,
Dharmapuri District.

.. Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorarified Mandamus to call for the records of the 2nd respondent in proceedings No.2512/A3/2024 dated 10.09.2024 and the consequential order in ADM No.3660/A3/2024 dated 04.10.2024 the 2nd respondent quash the same and consequently direct the 2nd respondent to allow the Dharmapuri District Kongu Vellala Goundergal Sangam represented by its President or any other Authorised Member of the Society to transfer the property in Survey Numbers S.No.73/2A (50 Cent), S.No.73/3A1 (33 Cents), S.No.50/1B (1 Acre and 17 cents) totally 2 Acres in Mopiripatti Village, Harur Registration District, Dharmapuri to



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and in favour of Dharmapuri District Kongu Velala Goundergal Welfare Association (Association of Persons).

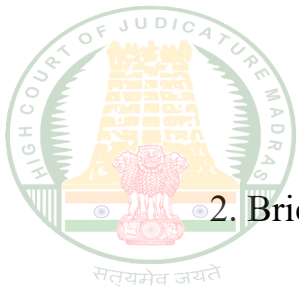
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For Petitioners : Mr.Vijay Narayan,
Senior Counsel for
Mr.C.Vigneswaran

For Respondents : Mr.J.Ravindran,
Additional Advocate General
assisted by Mr.U.Baranidharan
Special Government Pleader
for R1 & R2

ORDER

The present writ petition is filed challenging the proceeding of the 2nd respondent dated 10.09.2024 and consequential order dated 04.10.2024, to quash the same and direct the 2nd respondent to allow the petitioner represented by its President or any authorized member to transfer the properties in Survey Nos. 73/2A (50 Cents), Survey No.73/3A1 (33 Cents) and Survey No.50/1B (1 Acre and 17 Cents) totally 2 Acres situated at Mopiripatti Village, Harur, Dharmapuri District (hereinafter referred to as “subject properties”) to and in favour of Dharmapuri District Kongu Vellala Goundergal Welfare Association (Association of Persons).



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2. Brief Facts:

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2.1. Petitioner was a registered Society under Tamil Nadu Societies Registration Act, 1975 (hereinafter referred to as “the Act”). Petitioner was issued with a Certificate of Registration bearing Registration No. 33 of 1989. Petitioner Society was originally founded by 19 members with the objective of promoting the welfare of Kongu Vellalar Community and to help persons belonging to the said community residing in Dharmapuri District. Petitioner Society as part of its objective intended construction of a Kalyana Mandapam for the benefit of the members of the said community. Petitioner Society vide its meeting dated 17.07.1989 resolved to increase the strength of members from 19 to 25 and the same was approved by Registrar of Societies on 22.07.1989.

2.2. Subject properties were purchased by petitioner Society represented by its President vide sale deed registered as Document No.1010/1989 dated 11.05.1989. Clauses in sale deed would show that purchase of the subject properties were intended / meant for construction of a Kalyana Mandapam ie., in furtherance of Societies object. After purchase of the subject properties, Petitioner Society faced liquidity crunch and was unable to mobilize the funds necessary for construction of proposed Kalyana Mandapam. Financial crisis was severe that it not just delayed the construction of Kalyana Mandapam but adversely

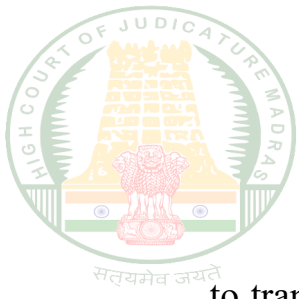


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affected functioning of petitioner Society, resulting in Society coming to a grinding halt. There was default in yearly renewals and other statutory compliance including under the Tamil Nadu Societies Registration Act by petitioner Society.

2.3. Petitioner's Society Registration was struck off from the register in terms of Section 44(4) of the Act and was published in the Tamil Nadu Gazette No.4 dated 02.02.2000. Resultantly, Petitioner Society was deemed to have been dissolved in terms of Section 44(4) of the Act. However, even thereafter i.e., striking off the petitioner from the register, title and possession of the subject properties remained with the Society and its members inasmuch as petitioner Society has not undergone the actual process of Dissolution.

2.4. Members of the petitioner Society in the meanwhile, along with few others formed a Trust called "The Kongu Vellalar Goundergal Community Trust"(hereinafter referred to as "Trust"). The members of the Petitioner Society and the newly formed Trust are stated to be common. Trust obtained patta in respect of the subject properties in its name. Trust constructed Kalyana Mandapam which is stated as being used for the welfare of the members of the petitioner community residing in Dharmapuri District.



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2.5. Existing members of the Petitioner Society proposed/intended

to transfer the property/title in respect of the subject properties in favour of the Trust, to enable the Trust to perfect its title.

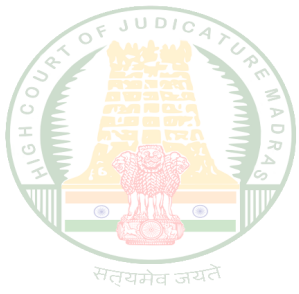
2.6. Existing members of the Petitioner Society met on 16.09.2023

and passed a Special Resolution to dissolve the Society in terms of Section 41 of the Act and a Special Committee comprising of 5 members was formed. It was resolved to transfer the subject properties in favour of the Trust. A representation was submitted to the 2nd respondent vide letter dated 09.11.2023 seeking permission for transfer of subject properties of Petitioner Society to the Trust. Above representation was in turn forwarded to the 1st respondent by 2nd respondent along with his report dated 24.11.2023. However, the request / representation by the Petitioner Society was rejected by the 1st respondent on 10.01.2024 *inter alia* on the following grounds:

“ i) The notice of the General Body Meeting dated 21.08.2023 and the Agenda for the Meeting dated 16.09.2023 did not discuss about the agenda for dissolution of the Sangam.

ii) The decision taken in the Special Committee meeting on 16.09.2023 must be communicated to the District Registrar by payment of necessary fees and therefore same cannot be accepted.

iii) As per Bye-Law 21 of the Society, at the time of Dissolution of the Society, the properties of the Society could be transferred to another society having the same or similar



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objects and not to a Trust and therefore proposed transfer is in violation of Bye-Law 21 and therefore the permission to transfer could not be granted.

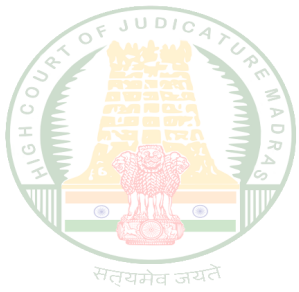
iv) Since the bye-laws as per the Tamil Nadu Societies Registration Rules does not provide for transfer of properties of a Society to a Trust the same cannot be done.

v) Since Bye-law 21 clearly states if there is no consensus on the transfer of property to a society the parties can approach a Court of competent jurisdiction to decide the same.”

2.7. In view thereof, Special Committee of the Petitioner Society requested General Body of the petitioner Society on the very same day i.e., 10.01.2024 to transfer subject properties to another Trust or Association of persons as per Bye-law. General Body of petitioner Society met on 28.01.2024 and issued a notice along with Agenda to other members of the petitioner Society for further action in this regard.

2.8. On 19.02.2024, as could be seen from the extracts of the affidavit filed by the petitioner in the present Writ Petition, petitioner Society passed a number of resolution *inter alia* including the following:

“i. Resolution No. 4:- It was resolved by the General Body of the Sangam that on dissolution, no member would receive any profit from dissolution. If, upon the dissolution of any registered society, there shall remain after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the said society, or any of them, but shall be given to some other registered society or to any association of persons having the same objects or objects similar to those of such registered society, to be determined by a special resolution or in default thereof by the



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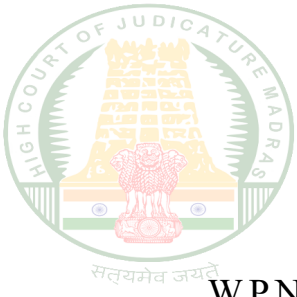
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court;

ii. Resolution No 6 Dated 19.02.2024- It was resolved to transfer 2 acres of land to either Kongu vellala Goundergal Community Trust or Dharmapuri District Kongu Vellala Goundergal Welfare Association through legal orders. Further resolved to appoint P.Ponnurangan, R.Palanivel, T.Ponmalai, N.Durai, M.P.Ilaiappan are Special Committee members for the above purpose.

iii. Resolution No 7 Dated 19.02.2024- it was resolved that as per the Tamil Nadu Societies Registrations Rule 1978, Section 39 Society is dissolved with immediate effect and a Special Committee as per Section 42 is formed with 5 members P.Ponnurangan, R.Palanivel, T.Ponmalai, N.Durai, M.P.Ilaiappan. The Sangam in its meeting is also resolved to submit to the existing members of the Sangam the audit report as on 31.03.2023 and the change of address of the Sangam to the District Registrar Dharmapuri for information.”

2.9. Above resolution was forwarded to 2nd respondent by petitioner Society vide letter dated 20.02.2024 and sought for permission to transfer the subject properties to the Trust/Association. 2nd Respondent vide proceedings dated 21.02.2024 informed petitioner Society to proceed further as directed/ordered by Inspector General of Registration. Special Committee of the Petitioner Society vide letter dated 28.02.2024 sought permission from 2nd respondent to execute a Gift Deed in favour of Dharmapuri District Kongu Vellala Goundargal Welfare Association. 2nd respondent once again vide letter dated 18.03.2024 directed petitioner Society to follow/comply with the directions contained in the communication/proceedings dated 10.01.2024 issued by the 1st respondent.



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2.10. Aggrieved, Petitioner Society filed a writ petition in

W.P.No.11375 of 2024 seeking a direction to the 2nd respondent to permit petitioner Society represented by its President or any other authorized member to transfer the subject properties to and in favour of the Dharmapuri District Kongu Vellala Goundergal Welfare Association. This Court, vide order dated 24.06.2024 disposed of the above writ petition directing the 2nd respondent to pass an order on the resolution dated 19.02.2024, in accordance with Section 42 of the Act. Pursuant thereto, 2nd respondent vide letter dated 15.07.2024, directed Petitioner Society to submit relevant documents for considering petitioner's request. Petitioner Society submitted a detailed explanation along with relevant documents/resolution reiterating their request vide letter dated 30.07.2024. The 2nd respondent however, rejected the petitioner's request vide impugned order dated 10.09.2024 inter alia on the following premise:

a) Issues relating to approval of resolution by majority of members needs to be resolved.

b) Transfer of properties of petitioner Society on dissolution can only be to another "சங்கம்" with similar object and not to a "Trust".

Impugned order also mentioned/noted that petitioner may approach the Court for redressal of its grievance, if any.



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2.11. In the meanwhile, Deputy Registrar summoned 11 members

who signed the resolution dated 19.02.2024. Pursuant thereto, 10 out of 11 members appeared before the Deputy Registrar, while one member who was unable to appear due to medical reasons submitted her written representation dated 30.09.2024 along with medical records. Petitioner Society also submitted another letter dated 30.09.2024 requesting the 2nd respondent to review the earlier order dated 10.09.2024 on the premise that it is contrary to the provisions of the Act and the Tamil Nadu Societies Registration Rules, 1978. However, the same was rejected by 2nd respondent vide impugned proceedings dated 04.10.2024, assigning the same reasons without considering the letter dated 30.09.2024. Aggrieved, Petitioner Society has filed the present writ petition.

3. Case of the petitioner:

Learned Senior Advocate, Shri.Vijay Narayan would submit the following:

a) Petitioner Sangam having followed the relevant procedure contemplated under Section 41 of the Act, denial of permission by respondents to transfer the subject properties by the petitioner Society to a person/entity of its choice is illegal.

b) Petitioner Society complied with direction of 1st respondent



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informed vide communication dated 10.01.2024. 2nd respondent thus, ought to have granted permission to the petitioner to transfer the subject properties.

c) 2nd respondent while communicating the proceedings of the 1st respondent informed the Petitioner Society that there is no provision to transfer properties belonging to petitioner Society to a Trust. 2nd respondent failed to see that Special Committee which was formed to dispose of the subject properties to the Trust was disbanded/dissolved and the General Body of the Society on 19.02.2024 decided / resolved to transfer the subject properties to an “Association of persons” named “Dharmapuri District Kongu Velala Goundergal Welfare Association”, in consonance with the Bye-laws. Petitioner Society having suffered an order under 44(4) of the Act, only intended/proposed to transfer assets of Petitioner Society to another Society/Association of Persons having the same objective. The direction by the respondent to restore the Society once again to transfer the subject properties is unwarranted when the Society itself has been struck off in terms of Section 44(4) of the Act.

d) Denial of permission to transfer the subject properties on the premise that approval/consent of 19 members is required for passing a resolution i.e., 3/4th of the total strength which is 25, fails to take into account, the death of 11 out of 25 members, that only 14 of the 25



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members are alive today. Thus, insistence of 3/4th approval of 25 members suffers from gross non-application of mind/vice of arbitrariness.

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Importantly, 11 out of 14 members have signed which would constitute 3/4th majority of existing members, thus resolution complies with Bye Law 18.

e) Impugned orders of the respondents are contrary to Section 39 of the Act which envisages beneficial winding up of the Society even after its cancellation while only requiring compliance with the provisions of Section 41 of the Act.

f) The directions of the respondents to restore the Society for the purpose of winding up and to transfer of its assets is arbitrary. The direction in the impugned order to approach the Court is misconceived inasmuch as more than 3/4th of the existing members have approved/consented to the resolution to transfer the subject properties. The need to approach the Court would arise only when there is a dispute among the members of the Society.

4. Case of the Respondents:

4.1. The Learned Additional Advocate General, Shri.J.Ravindran appearing for 1st and 2nd respondents would urge the following:-



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i) That petitioner Society was registered under the Tamil Nadu

Societies Registration Act, 1975 vide Sl.No.33/1989 under 2nd respondent office on 13.03.1989 with 19 people as enrolled members of the Society, subsequently, it was increased to 25 members, thus any resolution must be proceeded with 3/4th majority of 25 members.

ii) That petitioner Society had filed its Annual Returns only for the year 1989-1990 on 30.05.1990. Due to non-filing of Annual Return under Section 16(3)(b) of the Act, 2nd respondent in exercise of power conferred under Section 44(3) of the Act, issued notice proposing to strike off the name of Petitioner's Society from the register and published the same in the Tamil Nadu Gazatte. There was no response to the said notice from the Petitioner's Society, thus, the name of the Petitioner was Struck off from the 2nd Respondent Register on 02.02.2000 vide Tamil Nadu Government Gazette No.4 dated 02.02.2000.

iii) That petitioner Society has not preferred any Appeal before the 1st Respondent for restoration of its name as prescribed under section 44(5) of the Act. As such, striking off the Society from the Register had attained finality. Furthermore, if the period for preferring an appeal has lapsed or no appeal has been filed or the name of the registered society



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has been struck off, such registered society shall not function and Section 39 of the Act shall apply as if the registration has been cancelled.

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iv) That petitioner Society after filing annual returns for the year 1989-1990, till this date has not filed Annual Returns for nearly 33 years i.e., from 1990-1991 to 2022-2023 nor they have taken any steps to restore its name in the Register of Societies.

v) That petitioner Society in their letter dated 09.11.2023 requested 2nd Respondent to instruct the Harur Sub-Registrar to entertain the Transfer Deed proposed to be executed by the Petitioner Society in favour of "The Kongu Vellalar Goundergal Community Trust". Petitioner Society also stated that in the said Transfer Deed, that property belonging to the society is sought to be transferred to "The Kongu Vellalar Goundergal Community Trust". In the said representation, it is further stated that the existing members of the petitioner Society passed a Special Resolution to dissolve the said Society and that a Special Committee was formed to transfer the subject properties belonging to the petitioner Society in favour of the Trust.

vi) That a close reading of Section 41(1) of the Act unambiguously makes it clear that once a registered society is dissolved, the disposal and settlement of its property, assets and liabilities have to be carried out



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according to the provisions available in the bye-laws. Only in the case

where no provision is prescribed in bye-laws, further action has to be taken according to the decision of the committee or Special committee.

Thus, as per Bye-law 21 of the petitioner Society, the subject properties can only be transferred to any existing society with similar object.

5. Heard both sides. This Court is of the view that there is merit in the submission of petitioner for the following reasons:-

5.1. Petitioner Society was originally founded by 19 members with the objective of promoting the welfare of Kongu Vellalar Community and to help persons belonging to the said community residing in Dharmapuri District. Petitioner Society also had its objective, construction of a Kalyana Mandapam for the benefit of the members of the said community. Petitioner vide meeting dated 17.07.1989 resolved to increase the strength of members from 19 to 25 and the same was approved by Registrar of Societies on 22.07.1989.

5.2. When the resolution dated 19.02.2024 was passed 11 out of 25 members were no longer alive, thus only 14 remained. Out of 14, 11 had consented/approved the resolution passed on 19.02.2024 which *inter alia* included transfer of societies properties to Trust initially and thereafter to Association of Persons. Majority which is necessary for



resolution can only be on the basis of existing members. 3/4th majority required for passing resolution in terms of the Bye-Law 18 must be reckoned only on the basis of existing members and cannot be on the basis of the original numbers. It may be relevant to exact the relevant Bye law:

"18. சிறப்புத் தீர்மானம் நிறைவேற்றுவது குறித்து:-

சிறப்புத் தீர்மானத்தை பொதுக்குழுவின் கூட்டத்திலோ தபால் மூலம் உறுப்பினர்களுக்கு தெரிவித்தோ நிறைவேற்றலாம் இதற்கு 4ல் 3 பங்கு மெஜாரிட்டி இருக்கவேண்டும். இதன் நகலையும் 21 நாட்களுக்கு முன் உறுப்பினர்களுக்கு தெரிவிக்க வேண்டும். தீர்மானம் நிறைவேற்றியபின் 90 நாட்களுக்குள் சங்கப் பதிவாளருக்கு தாக்கல் செய்யவேண்டும்."

5.2.1. A reading of the above Bye-law would show that Special Resolution would require 3/4th majority by informing the member through the General Body Meeting or by informing the members by post. The very fact that Bye Law contemplates members being informed through registered post (or) during General Body Meeting, would show the Bye Law only refers to existing member and not member, who are no longer alive. Impugned order requiring 3/4th majority out of 25 members , which would mean 19, would render the Bye-law unworkable and produce abnoxious results.



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5.3. Secondly, impugned order finds that petitioner Society while dissolving may transfer property in terms of Bye Law 21 only to another Society having similar object. Petitioner proposal to transfer to a Trust is thus impermissible. Before proceeding, it may be relevant to extract the relevant Bye Law which reads as under:-

"21. சங்கத்தை கலைக்கும் முறை:

சங்கத்தை கலைக்கவேண்டிய நிர்பந்தம் ஏற்பட்டால் சிறப்புத் தீர்மானம் நிறைவேற்றி சங்கத்தின் பொறுப்புகள் கடன்கள் இவைகளை சரிபார்த்து இவைகளை உறுப்பினர்கள் பகிர்ந்துக்கொள்ளாமல் இதே போன்று இயங்கும் வேறு சங்கங்களும் கொடுத்துவிடவேண்டியது. இந்த முடிவில் அபிப்பிராயபேதமேற்பட்டால் நீதிமன்ற முடிவிற்கு விட்டு அதன்படி செயல்படவேண்டியது."

5.4. A reading of the above Bye Law would show that the Society may transfer the property on dissolution to another "Sangam" with similar object.

5.5. Petitioner Society initially proposed to transfer the properties belonging to the Petitioners Society to Kongu Vellalar Goundergal Community Trust. On being pointed out, that in terms of Bye-Law 21, it could only be transferred to another "சங்கம்". However, this reason may no



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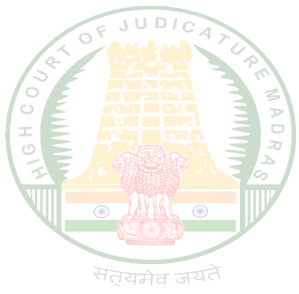
longer survive inasmuch as petitioner Society has now proposed to transfer its properties to “Dharmapuri District Kongu Vellala Goundergal Welfare Association”, which is an Association of Persons which would be in compliance with Bye-law 21. The impugned order fails to see that the “Society” is an Association of Persons and “Sangam” in Tamil would refer to Society and Association of Persons. “Dharmapuri District Kongu Vellala Goundergal Welfare Association”, being an Association of Persons it is permissible in terms of Bye-Law 21 to transfer the subject properties belonging to petitioner Society to the said Association of Persons. In this regard, may be relevant to refer the following Judgments.

i) ***Illachi Devi (dead) by LRs and others v. Jain Society, Protection of Orphans India and others, reported in (2003) 8 SCC 413 :***

“11. A society is an association of persons. It may or may not be registered under the Societies Registration Act.”

ii) ***Madurai District Central Coop. Bank Ltd. v. Third ITO, Madurai, reported in (1975) 2 SCC 454 :***

“9. The First Schedule of the Finance Act, 1963 consists of three parts out of which we are only concerned with Part I. Part I which is called “Income tax and surcharges on income tax” consists of paras A, B, C, D and E out of which we are concerned with para A only. Clause (ii) of para A prescribes rates of income tax for incomes accruing, inter alia, to “association of persons”. Since a cooperative society is an association of persons, para A of Part I would apply to the case of the appellant for the purposes of Section 2(1)(a)(ii) of the



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Finance Act of 1963, though not for the purpose of bringing its exempted business income to income tax."

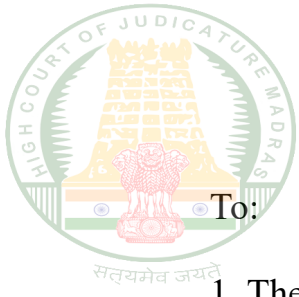
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6.This Court is of the view that the impugned order suffers from the infirmities pointed above. In view thereof, the impugned order is set aside and remanded for fresh consideration by 2nd respondent. 2nd respondent is directed to reconsider the matters afresh and pass appropriate orders after affording a reasonable opportunity of hearing to petitioner.

7. Accordingly, the writ petition stands disposed of. No costs.

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Index : Yes/No
Neutral Citation : Yes/No
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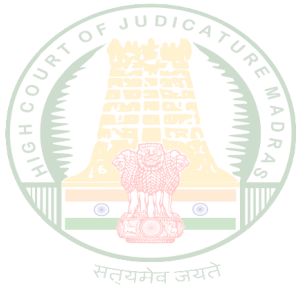


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To:

1. The Inspector General of Registration,
Office of the IG of Registration,
Chennai – 600 028.

2. The District Registrar (Administration)
Registrar of Societies,
Dharmapuri District.



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