

THE HON'BLE SRI JUSTICE A.RAJASHEKER REDDY

WRIT PETITION No.19504 of 2014

ORDER::

This writ petition is filed seeking to issue a writ or order one in the nature of writ of mandamus declaring the action of the 1st respondent in freezing the account of the petitioner-Housing Society bearing A/c.No.161601000002825 with the 2nd respondent-Bank as being illegal and arbitrary and consequently direct the respondents 1 and 2 to permit the petitioner-Housing Society to operate the said account in the interest of justice.

02. Heard the learned counsel for the petitioner and the learned Asst. Government Pleader representing learned Addl. Advocate General for 1st respondent.

03. By order dated 04-09-2013, the 1st respondent required the 2nd respondent-Bank to freeze the above account being operated by the petitioner-Hosing Society on the ground that the Committee of the petitioner-Housing Society committed fraud to the tune of Rs.18 crores by way of misappropriate of the money collected from its members, pending investigation into the matter.

04. Learned Asst. Government Pleader representing learned Addl. Advocate General placed before this Court a copy of the letter dated 15-07-2019 addressed by the District Co-operative

Officer, Hyderabad, to the effect that a new elected Committee has taken over the petitioner-Housing Society and the new Committee in its Special General Body meeting held on 11-02-2019 resolved to refund the amount of membership, share capital fee and developmental charges as some of the members want to withdraw their share capital and membership voluntarily by cancelling their membership and the newly elected Committee be permitted to operate the bank account with the 2nd respondent-Bank as the newly elected Committee members are not accused in Cr.No.81 of 2014. Learned Asst Government Pleader also submits that vide letter in RC No.1693/2009-MACS, dated 17-05-2019 the JR/District Co-operative Officer, Hyderabad District required the Branch Manager, SBI to defreez the account by duly attesting the signatures of the new Committee members and submits necessary orders be passed in the writ petition

05. In this view of the matter, inasmuch as the new Committee members of the petitioner-Housing Society are not accused in Cr.No.81 of 2014, and following the ratio laid by the Hon'ble Supreme Court in **SRI JAYENDRA SARASWATHY SWAMIGAL (II) TN vs. STATE OF TN**¹ which is relied on by learned counsel for the petitioner to the effect that an organisation cannot be paralysed or closed down by issuing a direction under Section 102 CrPC only for the reason that the

¹ (2005) 8 SCC 771

head of the organisation or a few office bearers thereof are alleged to be involved in the offence, the 1st respondent is directed to defreeze the above account of the petitioner-Housing Society.

06. With the above direction, the writ petition is disposed of. Consequently, miscellaneous petitions, if any, pending are also disposed of. There shall no order as to costs.

Dated: 16-07-2019
NRG

A.RAJASHEKER REDDY, J



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WRIT PETITION No.19504 of 2014

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Dated: 16-07-2019

NRG

