



W.P.No.31340 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

**RESERVED ON** : 06.12.2023

**PRONOUNCED ON** : 22.12.2023

CORAM:

THE HONOURABLE MR. JUSTICE **P.VELMURUGAN**

**W.P.No.31340 of 2023**

K.R.M.Home Makers Pvt. Ltd.,  
represented by its Director,  
M.S.Moorthy, S/o Mr.Mahalingam,  
having its office at No.101, Inchakkal Block,  
Chitra Avenue, No.9 Choolaimedu High Road,  
Choolaimedu, Chennai – 600 094.

...Petitioner

Vs.

1. The Inspector General of Registration,  
Registration Department,  
No.100, Santhome High Road,  
Chennai – 600 028.
2. The District Registrar,  
North Chennai,  
Registration Department,  
Kuralagam, NSC Bose Road,  
Chennai – 600 001.
3. The Sub Registrar,  
Madhavaram,  
Chennai – 600 060.



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4. The Country Manager, Bank of Ceylon,  
New No.2, Old No.11,  
Zerat Garden 2<sup>nd</sup> Lane,  
20/21, Casa Major Raod,  
Egmore Branch,  
Chennai – 600 008.

5. Pankaj K Patel  
6. Ashok R Patel

...Respondents

**Prayer :** Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of Writ of Mandamus, directing the respondents 1 to 3 herein to cancel the deed of cancellation of power, registered on 12.09.2023, as Document No.6603/2023 in the office of the SRO, Madhavaram, in respect of property situated in Madhavaram, by restoring the petitioner's Power of Attorney, dated 28.09.2015, registered as Doc.No.5814/2015 and allow the petitioner to use the power deed to register the sale deed for the flats in the subject property submitted by the petitioner company in the name of prospective purchasers.

For Petitioner : Mr.R.Singaravelan, Senior Advocate for  
M/s.Umashankar A

For Respondents : Mr.P.Kumaresan, AAG, Assisted by  
Mr.P.Gurunathan, AGP, for RR1 to 3  
Mr.Arvinth Pandian, Senior Advocate for  
Mr.M.L.Joseph for  
M/s.Chennai Law Associates for R5 and R6  
Mr.A.V.Radhakrishnan for R4

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## ORDER

The writ petition has been filed seeking mandamus directing the respondents 1 to 3 to cancel the deed of Cancellation of Power, registered on 12.09.2023 Doc.No.6603/2023 in the office of the SRO, Madhavaram, in respect of property situated in Madhavaram, by restoring the petitioner's Power of Attorney, dated 28.09.2015, registered as Doc.No.5814/2015 and allow the petitioner to use the power deed to register the sale deed for the flats in the subject property submitted by the petitioner company in the name of prospective purchasers.

2 The brief facts of the case of the writ petitioner is that the petitioner company is a private limited company incorporated in the year 2014 under the provisions of Companies Act, 2013. The respondents 5 and 6 have executed a Power of Attorney on 28.09.2015, bearing Doc.o.5814/2015 duly registered in the office of the SRO, Madhavaram, wherein the petitioner company was appointed as their lawful attorney to do all the work including to apply plan approval, planning permit to construct



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residential flats and to sell the UDS lands to any party etc., Further the land owners viz the respondents 5 and 6 have availed huge loan from the fourth respondent Bank by depositing the title deeds of the subject property dated 16.03.2016 and also the power of attorney dated 28.09.2015. While so, all of sudden the respondents 4 and 5 have cancelled the power of attorney unilaterally on 12.09.2023 vide Doc.No.6603/2023 in the 3<sup>rd</sup> respondent office. Against the unilateral cancellation of Power of Attorney, present writ petition has been filed.

3 Learned Senior Counsel for the writ petitioner would submit that the writ petitioner is a private limited company incorporated in the year 2014 under the provisions of Companies Act, 2013. The respondents 5 and 6 were the owners of the land measuring to an extent of 56 cents and 6000 sq.ft. in total, comprised in S.Nos.1413/1, 1414/1 and 1415/1, situated at Madhavaram Village, Ambattur Taluk, Thiruvallur District. It is further submitted that the said land owners have approached Mitra Home Makers Pvt. Ltd., and offered them for outright sale and thereby a sale agreement dated 02.05.2013 has also been registered offering their lands for sale of



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50% UDS. The land owners have also received sale consideration of Rs.50.00 lakhs and subsequently the said agreement was cancelled after receiving Rs.8.00 Crores.

**3.1** Thereafter, the land owners decided to develop the property and hence the petitioner company was formed in the year 2014 and according to the understanding, the land owners viz. 5<sup>th</sup> and 6<sup>th</sup> respondents have executed a Power of Attorney on 28.09.2015, bearing Doc.No.5814/2015 duly registered in the office of the SRO, Madhavaram, wherein the petitioner company was appointed as their lawful attorney to do all the work including to apply plan approval, planning permit to construct residential flats and to sell the UDS lands to any party etc., Further the land owners viz the respondents 5 and 6 have availed huge loan from the fourth respondent Bank by depositing the title deeds of the subject property dated 16.03.2016 and also the power of attorney dated 28.09.2015 towards security for the aforesaid loan facility. While so, all of sudden the respondents 4 and 5 have sent a letter to the third respondent stating not to register any sale deeds produced by the petitioner. The petitioner and the



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fourth respondent Bank have sent reply explaining that the documents have been deposited in the Bank as Security for the Loan and the petitioner stood as guarantor. In spite of the reply, 5<sup>th</sup> and 6<sup>th</sup> respondents have sent a letter dated 11.09.2023 informing that they are revoking the power of attorney dated 28.09.2015. Immediately the petitioner approached the third respondent and filed protest petition and since the same was not received by the third respondent, the protest petition has been sent by way of registered post. Thereafter on 16.09.2023, when the petitioner again visited the third respondent office, it came to know that the land owners have registered the cancellation deed unilaterally on 12.09.2023 itself vide Document No.6603/2023, in the office of the third respondent, when admittedly the original power dated 28.09.2015 is still with the custody of the fourth respondent Bank.

**3.2** Therefore without sending any notice to the petitioner herein, who stood as guarantor to the loan availed by the respondents 5 and 6 the land owners and without the original Power of Attorney, the third respondent registered the unilateral cancellation of power deed dated



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12.09.2023, which is against the law and hence the same has to be cancelled the and power deed dated 28.09.2015 has to be restored. In support of his contentions the learned Senior Counsel has placed reliance on the decision of the Hon'ble Supreme Court reported in *AIR 1969 SC 73*.

4 Learned Additional Advocate General appearing for the respondents 1 to 3 would submit that the respondents 5 and 6 are the land owners and they have presented the cancellation of power of attorney on 12.09.2023 and on the same day it was registered based on the revocation clause mentioned the power of attorney dated 28.09.2015. The respondents 1 to 3 have only limited option except to register the document produced by the principal.

5 Learned Senior Counsel appearing for the respondents 5 and 6 would submit that the petitioner themselves admitted that the respondents 5 and 6 are owners of the subject lands and the power of the attorney executed by them in favour of the petitioner is only a general one and the same is not coupled with any interest. Therefore the principal have every right to revoke



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the power granted by them to their agent in view of Section 201 of the Indian Contract Act, 1872 and that it is not required by law to send a notice to the agent before cancelling his authority by the principal themselves. However, notice was sent to the petitioner on 11.09.2023 intimating him that they were intending to revoke the Power of Attorney given to the petitioner. The respondents 5 and 6 have title and right over the subject property and they have not received any amount from the petitioner and hence the petitioner has no *locus standi* to question the cancellation of the Power of Attorney. Therefore the respondents 5 and 6 have full right and power to cancel the power of attorney and that registered power of attorney is not coupled with interest as contended by the petitioner and Section 202 of Indian Contract Act, 1872 are not applicable. Hence at any angle, the revocation of Power of Attorney Deed dated 12.09.2023 registered as Doc.No.6603/2023 is valid and if the petitioner intends to seek for cancellation of the said registered document, he has to approach the Civil Court invoking Section 31 of the Specific Relief Act, 1963. Therefore the writ petition is liable to be dismissed. In support of his contentions, the learned Senior Counsel has placed his reliance on the judgment of the



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Division Bench of this Court reported in **2022 (2) CTC 135** in the case of

***P.Sunil alias Sunil Prakash vs. Government of Tamil Nadu.***

6 To answer the above arguments advanced by the learned Senior Counsel for the respondents 5 and 6, the learned Senior Counsel appearing for the petitioner contended that the respondents 5 and 6 through the said Powner of Attorney has given power to the petitioner to obtain plan approval, planning permit to construct residential flats and to sell the UDS lands to any party etc and the petitioner also obtained approval for the plan and constructed the residential flats. Therefore once the power of attorney acted upon and all the documents deposited in the Bank, the unilateral cancellation of Power of Attorney is not permissible. The decision relied on by the learned Senior Counsel for the respondents 5 and 6 is not applicable to the facts of the case on hand.

7 Learned counsel appearing for the fourth respondent would submit that the respondents 5 and 6 availed credit facilities and the petitioner stood as guarantor. Further the respondents 5 and 6 have signed



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Memorandum of Deposit of Title Deeds dated 16.03.2016 registered in the office of SRO, Madhavaram and the original titled deeds of subject property and original power deed dated 28.09.2015 were also deposited as security for the loan facility availed by them. Therefore the respondents 5 and 6 have no authority to cancel the power deed, which is deposited and in the custody of the fourth respondent Bank.

**8** Heard the learned Senior Counsel appearing for the petitioner, learned Additional Advocate General appearing for the respondents 1 to 3, learned Senior Counsel appearing for the respondents 5 and 6 and the learned counsel appearing for the fourth respondent and perused the materials available on record.

**9** Admittedly the subject matter of the property belongs to the respondents 5 and 6 and they both have appointed the petitioner as a lawful attorney under the registered Power of Attorney dated 28.09.2015 and the original titled deeds of the subject property and the said Power of Attorney were deposited in the fourth respondent's Bank for the loan availed by the



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respondents 5 and 6. Subsequently the said Power of Attorney was cancelled unilaterally on 12.09.2023 under Doc.No.6603/2023, which is impugned in the present writ petition.

**10** A bare reading of the recitals in the Power of Attorney dated 28.09.2015, which has been executed by the respondents 5 and 6 in favour of the petitioner would show that power has been given to the petitioner to apply planning permission and to construct residential flats and to sell the same. Admittedly the petitioner got approval and constructed residential flats and based on the Power of Attorney, entered into sale agreement with several buyers. Therefore it is clear that the Power of the Attorney is coupled with interest and also it has been acted upon. Once the Power of Attorney acted upon, the Principal cannot cancel the same unilaterally and if the principal has any grievance or any dispute with the agent, he can approach the Civil Court and seek his remedy.

**11** The respondents 1 to 3, being the revenue authorities, without obtaining original Power of Attorney, simply cancelled the same, which in



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fact is a registered one. Therefore considering the facts and circumstances of the case, once Power of Attorney is admitted and custody of the documents with the Bank is also admitted and object of the Power of the Attorney has also been acted upon, subsequently the principal cannot revoke the Power of Attorney unilaterally. Therefore unilateral Cancellation Deed of Power of Attorney dated 12.09.2023 by the respondents 5 and 6 is not valid.

**12** In the result, the writ petition is allowed and the unilateral deed of Cancellation of Power of Attorney dated 12.09.2023 Doc.No.6603/2023 in the office of the third respondent is hereby cancelled and the Power of Attorney dated 28.09.2015 Doc.No.5814/2015 is hereby restored. No costs.

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To

1. The Inspector General of Registration,  
Registration Department,  
No.100, Santhome High Road,  
Chennai – 600 028.
2. The District Registrar,  
North Chennai,  
Registration Department,  
Kuralagam, NSC Bose Road,  
Chennai – 600 001.
3. The Sub Registrar,  
Madhavaram,  
Chennai – 600 060.



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**P.VELMURUGAN, J.,**

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**Pre-Delivery Order in**  
**W.P.No.31340 of 2023**

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