



W.P. No.19300 of 2025

WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.06.2025

CORAM

THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.19300 of 2025

Narayanan

Petitioner(s)

Vs

- 1.The District Registrar,
Dharmapuri District.
- 2.The Sub Registrar,
Palacode Taluk, Dharmapuri District.
- 3.The Inspector of Police,
Economic Offence Wing (EOW),
Dharmapuri District.

Respondent(s)

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorarified Mandamus calling for the entire records relating to the Refusal Check Slip vide Refusal No.RFL/ Palacode/ 15/ 2025 dated 19.02.2025 issued by the 2nd respondent and quash the same as illegal and consequently direct the 2nd respondent to register the document on presentation by the petitioner for the lands in survey No.1037/2 situated at Palacode, Dharmapuri.

For Petitioner(s)

: Mr.Krishnasamy Chinnasamy



WEB COPY



W.P. No.19300 of 2025

For Respondent(s) : Mr.P.Sasi Kumar
Government Advocate (for R1, R2)

: Mr.R.Kishore Kumar
Government Advocate (Crl. Side) (for R3)

ORDER

The present writ petition is filed challenging the refusal check slip which has been issued refusing to register the sale deed dated 19.02.2025 on the premise that there are proceedings pending under the Tamil Nadu Protection of Interest of Depositors (in Financial Establishments) Act, 1997 (hereinafter referred to as “the Act”).

2. It is the case of the petitioner that mere pendency of proceedings without any order of attachment under the Act cannot be a reason for refusing registration.

3. In this regard, learned counsel for petitioner would place reliance on order of this Court in W.P. No.12289 of 2020 dated 09.09.2020, wherein after relying upon the order in W.P.No.1680 of 2020 dated 03.08.2020, it was held as under:

“6. In the above order, this Court has categorically held against the refusal of registration of documents merely based on



WEB COPY

letters issued by the Police unless a proper order of attachment is obtained from the competent authority under the relevant enactment. In view of the same, the second respondent cannot prevent the petitioners from submitting documents for registration merely based on the letter issued by the police. In fact, such a letter should not be recorded in an Encumbrance Certificate since it is beyond the jurisdiction of the Police to restrain the owners of the property from dealing with the same. Therefore the second respondent shall also delete the entry made in the Encumbrance Certificate.”

3.1. Learned counsel for petitioner would also place reliance upon Section 3 of the Act which provides for attachment of properties under the Tamil Nadu Protection of Interest of Depositors (in Financial Establishments) Act, 1997, the said provision reads as under:

“3. Attachment of properties on default of return of deposits.

- Notwithstanding anything contained in any other law for the time being in force,-

i) where upon complaints received from a number of depositors, that any Financial Establishment defaults the return of deposits after maturity, or fails to pay interest on deposit or fails to provide the service for which deposit has been made, or

(ii) where the Government have reason to believe that any financial establishment is acting in a calculated manner with an intention to defraud the depositors, and if the Government are satisfied that such Financial Establishment is not likely to return the deposits or to make payment of interest or to provide the service, the Government may, in order to protect the interest of the depositors of such Financial Establishment, pass an ad-interim order attaching the money or other property alleged to have been procured either in the name of the Financial Establishment or in the name of any other person from and out of the deposits collected by the Financial Establishment, or if it transpires that such money or other property is not available for attachment or not sufficient for repayment of the deposits, such other property of the said



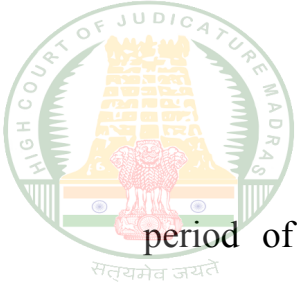
W.P. No.19300 of 2025

Financial Establishment or the promoter, partner, director, manager or member of the said Financial Establishment or a person who has borrowed money from the Financial Establishment to the extent of his default or, such other properties of that person in whose name properties were purchased from and out of the deposits collected by the Financial Establishment, as the Government may think fit, and transfer the control over the said money or property to the Competent Authority."

3.2. A reading of the above provision would show that there is no finding whatsoever that there is any attachment in terms of provisions of the Act. This Court finds that there is merit in the submission of the learned counsel for petitioner that the refusal slip stands vitiated.

4. Mr.P.Sasi Kumar, learned Government Advocate for respondents 1 and 2 would submit that the petitioner may represent the sale deed and the same would be registered, if it is otherwise in order.

5. In view thereof, the writ petition stands disposed of with a direction to the petitioner to re-present the documents i.e., sale deed for registration before the appropriate respondent. The concerned respondent shall consider and register the document if it is otherwise in order, if for any reason the registering authority finds that the registration ought to be refused, the same shall be done after assigning reasons and after putting the petitioner, respondent 3 and other interested parties on notice. The above exercise shall be carried out within a



W.P. No.19300 of 2025

period of two (2) weeks from the date of presentation of documents for

registration. It is made clear that this Court has not expressed any views with regard to the merits of the case and it is open to the concerned respondent to consider the case on its own merits and in accordance with law. No costs.

12.06.2025

Speaking (or) Non Speaking Order

Index : Yes/ No

Neutral Citation: Yes/No

mka

To:

- 1.The District Registrar,
Dharmapuri District.
- 2.The Sub Registrar,
Palacode Taluk, Dharmapuri District.
- 3.The Inspector of Police,
Economic Offence Wing (EOW),
Dharmapuri District.



WEB COPY



W.P. No.19300 of 2025

MOHAMMED SHAFFIQ, J.

mka

W.P. No.19300 of 2025

12.06.2025