

WP(MD) No.6483 of 2016

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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RESERVED ON
28.11.2024

PRONOUNCED ON
28.01.2025

CORAM:

THE HON'BLE MR.JUSTICE K.KUMARESH BABU

**W.P.(MD)No.6483 of 2016 &
WMP.No.5652 & 5653 of 2016**

The President,
Dheeran Chinamalai Transport Corpn.,
Employees Cooperative House Building Society Ltd.,
Opp to Collectorate,
Tiruchirappalli I.

... Petitioner

VS.

1.The Registrar of Co operative Societies (Housing)
Tamil Nadu Housing Board Complex,
2nd Floor Annex, No.493 Anna Salai,
Nanthanam, Chennai – 600 035.

2.The Regional Deputy Registrar (Housing)
(Additional Full Incharge),
Tirchirappalli Region,
Khaja Nagar, Tirchirappalli – 20.

... Respondents

PRAYER :- Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari to call for the records relating to the order of the impugned order of the first respondent in his proceedings in Na.Ka.No.7690/2013/E4, dated 10.03.2016, and pass such further order.



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For Petitioner : Mr.R.Devaraj

For Respondents : Mr.J.K.Jeyaseelan G.A., for R1

Mr.S.Seenivasagam for R2

ORDER

The challenge is to the order of freezing of the account made by the first respondent.

2. Heard Mr.R.Devaraj, learned counsel appearing for the petitioner, Mr.J.K.Jeyaseelan, learned Government Advocate appearing for the first respondent and Mr.S.Seenivasagam, learned counsel appearing for the second respondent.

3.The case of the petitioner is that the petitioner had been providing its members constructed house for having residences of their own and that their members are working as Conductors, Drivers and other Administrative Staffs in the Transport Corporation. In that process, it has purchased various extent of lands and had obtained planning permission. However, since they did not have enough funds, it has not proceeded with the extent of 4.27 Acres for which the planning permission was also obtained. The owner of



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the said land had also made good the amount paid for obtaining the planning permission in respect of the said land and thereafter, the Board of the petitioner had taken a decision not to proceed with the purchase of the lands and had also proceeded to form the layouts as per the approved plan. However, holding that there had been no proper procedure followed to laying out the said lands, the proceedings were sought to be initiated against the petitioner and an order dated 23.09.2015 was passed for freezing the bank accounts. After hearing the officials of the petitioner, the order of freezing was revoked by the second respondent in its communication dated 24.11.2015. However, subsequently by an order dated 21.01.2016, the second respondent had issued orders cancelling the tender proceedings initiated by the petitioner for construction of the houses. Challenging the same, a Writ Petition in W.P.(MD).No.3618 of 2016 was filed and by order dated 22.02.2016, this Court was also pleased to grant an order of stay. The second respondent malafidely passed an order impugned herein to again freeze the bank accounts, as the petitioner had approached this court challenging the order cancel ling the tender notification issued by the petitioner. He would submit that the proceedings in the present Writ Petition has also been stayed by this Court and the petitioner had proceeded to



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construct the building and also handed over to its members.

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4. Recording the same, the Writ Petition in W.P.(MD).No.3618 of 2016 was closed by this Court by holding that if any orders are now passed, the same would affect the third party members who have been allotted with the constructed houses. The only object of freezing the account was not to permit the petitioner to put up the construction and therefore, the same had *malafide* and the object for which it was frozen was also not fulfilled and that there is no impediment in setting aside the order passed by the second respondent.

5.The learned Additional Government Pleader appearing on behalf of the respondents would submit that when the impugned enquiry has been initiated to find the ground reality on which the entire transaction had taken place and also with regard to the fixing of sale price for the site, which had been made grossly in violation of the procedure contemplated, in that aspect the order of fixing of sale price came to be passed. It is the case of the learned counsels for the second respondent that the conduct of the President of the Society had caused heavy loss to the Society and if it is addressed in



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the proper time, the society would have been in a better position. Hence, the

impugned orders were passed which requires no interference by this Court.

6.I have considered the submissions made by the learned counsels appearing on either side and perused the materials available on record.

7.The impugned order of freezing has been passed as early as in the month of January 2016, pursuant to the order of the stay granted by this Court in W.P.(MD).No.3618 of 2016. It is to be noted that the petitioner had been engaged in the business of providing houses to its members who are basic workers in the Transport Corporation such as Conductors, Drivers and menial Administrative Staffs. Eventhough, malafides and bias have been alleged, it is to be seen that the freezing of accounts have been made pursuant to the order passed by this Court staying the operation of the order canceling the tender process initiated by the petitioner. After the stay of the proceedings issued by the second respondent, the petitioner had continued the tender process and completed the houses and also handover the same to its members.



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8. Recording the same, this Court had held that the order canceling the

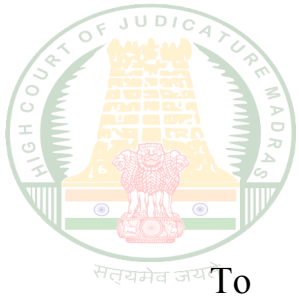
tender need not be revisited, as it involved the rights of the third parties.

Since the present impugned order has been passed Prohibiting the petitioner from proceeding further from construction of the houses, as the same has also been stayed by this Court, pursuant to which the construction of the houses have been effectively completed. Hence, I do not find any reasons for continuing the order of freezing at this time.

9. Hence, the order impugned herein need not be sustained and in fine, the Writ Petition is allowed and the order impugned is set aside. However, there shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

28.01.2025

Index: Yes/No
Speaking Order/Non Speaking Order
Neutral Citation: Yes/No
Gba



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K.KUMARESH BABU.,J.

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A Pre-delivery order made in
W.P.(MD)No.6483 of 2016 &
WMP.No.5652 & 5653 of 2016

28.01.2025