

130

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CWP-3414-2026

Date of decision: 12.02.2026

**THE INDIAN AIRLINES PILOT COOP. HOUSE BUILDING SOCIETY
LTD.**

...Petitioner(s)

VERSUS

STATE OF HARYANA AND OTHERS

...Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present:- Mr. Anil Mehta, Advocate,
Mr. Karan Bhardwaj, Advocate and
Ms. Sukriti Kaur, Advocate
for the petitioner.

Mr. Udit Garg, Addl. A.G., Haryana.

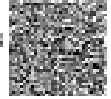
Mr. R. N. Saxena, respondent No.6 in person.

Mr. Bharat Bhushan, respondent No.7 in person.

Ms. Amita Parashar, LR of respondent No.8, in person.

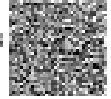
JASGURPREET SINGH PURI, J. (Oral)

1. The present Civil Writ Petition has been filed under Article 226 of the Constitution of India seeking issuance of a writ in the nature of *certiorari* for quashing and setting aside the impugned order dated 14.10.2025 (Annexure P-14) passed by respondent No.1, fresh communications/letters dated 29.01.2026 (Annexure P-15) and 30.01.2026 (Annexure P-16), whereby the petitioner-Society has been directed to undertake valuation of the N-2 Club House, despite the fact that the said property was merely marked under lien



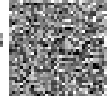
only as a security and not as an asset intended for recovery or auction, with a further prayer for restraining the respondents from taking any coercive steps, including attachment, valuation or e-auction of the petitioner's Club House, pursuant to or in furtherance of letter dated 23.07.2025 (Annexure P-8), attachment order dated 01.08.2025 (Annexure P-9), letter dated 06.08.2025 (Annexure P-10) and subsequent communications dated 29.01.2026 (Annexure P-15) and 30.01.2026 (Annexure P-16) and also to direct the official respondents to protect the Club House and common community assets of the petitioner-Society from being subjected to auction or sale for recovery of disputed and uncrystallized compensation claims.

2. Mr. Anil Mehta, learned counsel for the petitioner while giving the facts of the case submitted that the present matter has a long and chequered history with regard to the allotment of flats by the petitioner-Society, namely, the Indian Airlines Pilot Cooperative House Building Society Limited, registered under the Cooperative Societies Act. The petitioner-Society had allotted flats to its members and the dispute herein pertains to four members, who were expelled from the Society by the then Management Committee on 09.03.2002. However, on an appeal being filed by them, the aforesaid order expelling them from the Society was set aside by the appellate authority i.e. the Additional Registrar-cum-Auditor, Cooperative Societies, Haryana, vide order dated 08.01.2007 (Annexure P-2) primarily on the ground of violation of principles of natural justice. He further submitted that the aforesaid order (Annexure P-2), by which expulsion of the private respondents was set aside, has attained finality and therefore, it is not in dispute that the private



respondents continued to remain the members of the petitioner-Society with effect from the date when they were expelled i.e. from the year 2002.

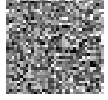
3. Learned counsel for the petitioner submitted that even before that, the flats already stood allotted to the members of the petitioner-Society but they were not allotted to the said four persons, three of whom are private respondents in the present petition and consequently, in the revision petitions filed by them before the Joint Secretary to Government of Haryana, Cooperative Department, it was directed on 06.07.2005, 07.09.2005 and 14.09.2005 that flats be kept reserved for them and in this way, the petitioner-Society was to keep the four flats reserved for the aforesaid persons because although they were expelled at that time but their expulsion was ultimately set aside by the appellate authority on 08.01.2007 vide Annexure P-2. However, in the meantime, after the aforesaid orders were passed in July, 2005 and September, 2005 as aforesaid, the four flats which were surrendered to the builder in the year 2002 for the purpose of construction were sold by the builder on 09.12.2005 i.e. after the aforesaid orders were passed by the Joint Secretary to Government of Haryana, Cooperative Department, whereby it was directed that the flats be kept reserved. He further submitted that the builder, to whom the entire property was surrendered for the construction of flats, had sold the said flats and so far as the present petitioner-Management Committee is concerned, it was not the same Management Committee but was a different Management Committee. He also submitted that in this way, all the flats including the aforesaid four flats, which were kept reserved by way of the aforesaid orders passed by the Joint Secretary to Government of Haryana,



Cooperative Department were sold by the builder and the petitioner-Society did not have even a single flat which could be given to the private respondents because no flat was available at that point of time.

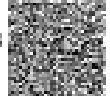
4. Learned counsel submitted that in this way, the litigation continued up to the level of the Additional Chief Secretary to Government of Haryana, Cooperation Department, whereby it was decided between the parties that now the only remedy would be to grant compensation to these four persons, who were earlier expelled and their membership was thereafter restored in the year 2007 but could not be allotted the flats. He further submitted that the petitioner-Society does not dispute that the said four persons are entitled to compensation but the only dispute is with regard to the quantum of compensation, especially the rate at which it should be granted.

5. Mr. Mehta submitted that so far as the compensation aspect is concerned, the matter was placed before a Committee which was formulated on the directions issued by the Additional Chief Secretary to Government of Haryana, Cooperation Department and the said Committee had proposed the compensation but revision petitions were subsequently filed with regard to the same and the petitioner-Society also filed a writ petition before this Court bearing No.CWP-23673-2025 on the ground that the Club House of the petitioner-Society is going to be sold despite the fact that revision petitions are still pending before the Additional Chief Secretary to Government of Haryana, Cooperation Department and this Court vide detailed order dated 19.08.2025 directed the revisional authority to decide the revision petitions filed by the private respondents and it was also directed that *status quo* with regard to the



auction of the property of the petitioner-Society shall be maintained. He submitted that it was thereafter, in pursuance of the order passed by this Court as aforesaid that the impugned order dated 14.10.2025 (Annexure P-14) was passed, whereby the Additional Chief Secretary to Government of Haryana, Cooperation Department directed the Registrar, Cooperative Societies, Haryana to refer the matter to the Committee constituted under the Government Policy for fixation of market rate of land in the State, as notified by the Government of Haryana, Revenue and Disaster Management Department vide Notification dated 25.11.2021 as amended from time to time for the purpose of assessing the fair market value of the flats as on 10.05.2022. The Deputy Registrar, Cooperative Societies, Gurugram was nominated as the member of the said Standing Committee and the said Committee was directed to submit its report to the Registrar, Cooperative Societies, Haryana, within a period of six weeks. He further submitted that the petitioner-Society is aggrieved by the aforesaid fixation of the date of 10.05.2022, which is arbitrary because in this way, the market value of the property could not have been fixed for the year 2022 and at the most, the cut-off date could be the date of expulsion i.e. from the year 2002. He further submitted that the petitioner-Society does not have sufficient funds to pay the private respondents an amount that could be determined on the basis of the market rate.

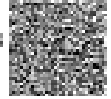
6. Learned counsel submitted that out of the four persons who were aggrieved by the action of the petitioner-Society of expelling them, one person has already received compensation of Rs.1.33 crores in August, 2025, but so far as the present private respondents, which are three in number are concerned,



they have still not received any compensation and again reiterated that the petitioner-Society is not averse to the grant of compensation but the dispute only relates to the quantum of compensation, especially regarding fixation of date i.e. 10.05.2022 by the Additional Chief Secretary to Government of Haryana, Cooperation Department, for the purpose of computation by way of the impugned order (Annexure P-14) and to that extent, the said order may be set aside.

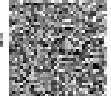
7. On the other hand, Mr. Udit Garg, Addl. A.G., Haryana submitted that although the order (Annexure P-14) passed by the Additional Chief Secretary to Government of Haryana, Cooperation Department is a quasi-judicial order but on facts, there is no dispute that the private respondents were expelled from the petitioner-Society on 09.03.2002 and by way of separate orders dated 06.07.2005, 07.09.2005 and 14.09.2005, the Joint Secretary to Government of Haryana, Cooperative Department had directed that flats be kept reserved for them but on 09.12.2005, the said flats were sold by the builder and when on 08.01.2007, their expulsion was set aside by the appellate authority, no flat was left for them and that is the reason as to why compensation was directed to be paid. He further submitted that the date fixed for computing the compensation i.e. 10.05.2022 by way of the impugned order does not suffer from any illegality because the market value was to be determined, which was done by way of the impugned order and therefore, the present petition is liable to be dismissed.

8. Mr. Bharat Bhushan, respondent No.7 has appeared in person and has also advanced his submissions. He submitted that he has been a victim of



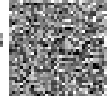
fraud committed by the petitioner-Society. He further submitted that he and other two private respondents were members of the petitioner-Society right from the beginning and had invested their pensionary benefits for getting the flats and membership and the mere fact that the fourth person had received compensation of Rs.1.33 crores is not binding upon them because the fourth person was suffering from various diseases and had received the aforesaid amount out of medical necessity and rather he passed away after some time. He further submitted that in the present case, when the private respondents were expelled on 09.03.2002, then the Joint Secretary to Government of Haryana, Cooperative Department, on the revision petitions filed by them had rather directed the reserving of the plots by way of orders passed in July, 2005 and September, 2005, respectively, but the petitioner-Society, in connivance with the builder, sold those four plots on 09.12.2005 i.e. after the order was passed by the Joint Secretary to Government of Haryana, Cooperative Department and in this way, it was a clear cut case of fraud committed by the petitioner-Society along with the builder and at the same time, the rights of the private respondents have been prejudicially affected because of the action of the petitioner-Society. He also submitted that the private respondents have invested their entire earnings in purchasing or making payments for the aforesaid flats, for which they are entitled to the market price in the vicinity as of today or at least the rate fixed by the Additional Chief Secretary to Government of Haryana, Cooperation Department by way of the impugned order (Annexure P-14).

9. I have heard the learned counsels for the parties.



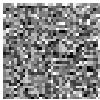
10. It is a case which although has a long and chequered history but at the same time, the rights of the petitioner-Society and that of the private respondents are required to be considered in light and perspective of the aforesaid history.

11. It is not in dispute that the petitioner-Society had allotted flats to various members but with regard to four members, including the present three private respondents, they were expelled from the Society on 09.03.2002. However, on an appeal being filed by them, the Additional Registrar-cum-Auditor, Cooperative Societies, Haryana, set aside the order of expulsion primarily on the ground of violation of the principles of natural justice and this order had attained finality and in this way, for all intents and purposes, they were members of the petitioner-Society right from the beginning. They had also spent their own funds, which according to respondent No.7, were from their savings and pensionary benefits but surprisingly when they approached the Joint Secretary to Government of Haryana, Cooperative Department, separate orders were passed on 06.07.2005, 07.09.2005 and 14.09.2005, respectively, whereby, it was directed that four flats be kept reserved for them but just after three months, the builder sold the said flats in the market on 09.12.2005. This Court would not go into the issue as to whether the builder sold the aforesaid flats in connivance with the petitioner-Society or not but at the same time, this Court cannot lose sight of the fact that it was the petitioner-Society which was responsible for keeping the aforesaid flats reserved for the private respondents. In this way, the private respondents continued to be the members of the petitioner-Society till date and other persons have been allotted the flats but the



private respondents were not allotted the flats because of the aforesaid expulsion, which was set aside in the year 2007 and therefore, clearly the rights of the private respondents have been prejudicially affected by the actions of the petitioner-Society.

12. There is no dispute with regard to the fact that both the parties have agreed for grant of compensation to the private respondents but the dispute is with regard to the quantum of compensation as to on what basis it is to be given. The Additional Chief Secretary to Government of Haryana, Cooperation Department by way of the impugned order (Annexure P-14) while giving the history of the case has directed that the market value of the flats be determined and fixed in accordance with the Government Policy as of 10.05.2022. This Court does not find any infirmity or illegality in the order passed by the Additional Chief Secretary to Government of Haryana, Cooperation Department vide Annexure P-14. From the entire facts of the present case, it appears that there was no fault on the part of the private respondents at any stage, especially when the order of expulsion was set aside by the appellate authority and they continued to remain the members of the petitioner-Society, while the other members were allotted the flats at that point of time. Had the builder not sold the said four flats violating the orders passed by the Joint Secretary to Government of Haryana, Cooperative Department as aforesaid directing that the flats be kept reserved, then certainly the private respondents would have got the flats and had they got the flats at that point of time i.e in the year 2007, they would have enjoyed the value of the flats till today and therefore, fixing the latest market value as of 2022 does not suffer from



any illegality or infirmity and this Court is of the considered view that the Additional Chief Secretary to Government of Haryana, Cooperation Department has correctly passed the aforesaid impugned order (Annexure P-14).

13. Consequently, finding no merit in the present Civil Writ Petition, the same is hereby dismissed.

12.02.2026
Chetan Thakur

(JASGURPREET SINGH PURI)
JUDGE

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No