

IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA & THE STATE OF ANDHRA

PRADESH
(Special Original Jurisdiction)

THURSDAY, THE SECOND DAY OF JULY
TWO THOUSAND AND FIFTEEN

PRESENT

THE HON'BLE SRI JUSTICE VILAS V. AFZULPURKAR

WRIT PETITION No.19836 of 2015

BETWEEN

M/s.Rao Brothers Chit Fund Private Limited,
Rep. by its Branch Manager

... PETITIONER

AND

The State of Telangana, rep. by its Principal Secretary, Revenue
Department, Secretariat, Hyderabad and others

...RESPONDENTS

The Court made the following:

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ORDER:-

Heard.

2. Petitioner is a private Chit Fund Company, which has deposited for Rs.10,00,000/- as required under the Chit Fund Act, before respondent No.3, Assistant Registrar of Chits, Hanamkonda, Warangal District. Petitioner states that the entire chit is completed and there is only one dispute claimed by respondent No.4, which is now subject matter of an appeal before the State Commission under Consumer Protection Act. The claim of respondent

No.4 was decreed by the District Consumer Forum under the Consumer Protection Act, awarding a sum of Rs.6,00,000/- to him. As against that, petitioner has filed an appeal pending before the State Commission under F.A.No.1226 of 2014.

By way of an interim order, the State Commission granted interim stay on condition of petitioner depositing half of the decreed amount, which the petitioner is stated to have complied with. Petitioner made a request for refund of the fixed deposit of Rs.10 lakhs with interest kept with respondent No.3 by making an application dated 14.04.2015.

3. Learned counsel for the petitioner states that there is appropriate provision for meeting the liability in the event of respondent No.4 succeeding in the appeal before the State Commission, but that amount, in any case, cannot be more than the amount decreed by the District Forum viz., about 61/2 lakhs. Hence, the balance amount lying in the fixed deposit with respondent No.3 can always be refunded to the petitioner. But in spite of representation, dated 14.04.2015, no action is taken by respondent No.3. Hence, the present writ petition.

4. Whether the amount of any claim is required to be settled by the petitioner and the extent of possible liability of the petitioner is a matter, which respondent No.3 has to examine after notice to respondent No.4 and thereafter consider whether any purpose would be served by continuing the fixed deposit with respondent No.3 when the entire chit transactions are completed except for one disputed claim. Respondent No.3 shall, therefore, look into the petitioner's representation, as referred to above, and take appropriate decision in the matter after notice to respondent No.4, hearing, and pass appropriate orders on the petitioner's representation expeditiously preferably within six weeks from the date of receipt of a copy of the order.

Writ petition is, accordingly, disposed of. As a sequel, the miscellaneous applications, if any, shall stand closed. There shall be no order as to costs.

VILAS V. AFZULPURKAR, J

July 2, 2015

LMV