

THE HON'BLE SRI JUSTICE A.RAJASHEKER REDDY

W.P.NO.3249 OF 2017

O R D E R

The case of the petitioner is that he was a subscriber of chit in the 3rd respondent - Sri Bhargava Chit Funds, (Boddapti Chit Funds Pvt., Ltd.), Bhadrachalam, represented by its Managing Director. The chit number is LTSBSSE, for a sum of Rs.7,50,000/-. He participated in the auction conducted on 27.1.2002 and became successful bidder and was entitled to withdraw an amount of Rs.5,05,000/-. He paid all the instalments and furnished sureties for the said amount to the satisfaction of the firm. As the matter stood thus, the company instead of paying the said amount to him, deposited the same in the Andhra Bank, Bhadrachalam Branch in account No.CA/015/50009022. Hence, he made a complaint to the District Collector and District Magistrate, Khammam – 2nd respondent, who initiated action against the 3rd respondent – firm by virtue of the power conferred under Section 6(1) of the A.P. Protection of Depositors of Financial Establishment Rules, 1999 and passed orders on 10.07.2002 in Legal Cell C.P.No.1/2002 dated 10.7.2002 by attaching the movable properties of the 3rd respondent. Subsequently, the said authority filed O.P.No.954/2002 on the file of Special Court constituted under the A.P. Protection of Depositors of Financial Establishment Act, 1999 at Khamma, making the petitioner as 3rd respondent therein. The

District Judge, by order dated 5.2.2003 allowed the petition and made the interim attachment order dated 10.07.2002 absolute. Challenging the said order, the 3rd respondent – firm filed appeal in CMA.No.1909/2002 and by interim order dated 23.09.2003, this court initially granted interim suspension and subsequently, on filing of a counter affidavit, vacated the interim order dated 23.09.2003 and eventually the appeal was dismissed for default on 3.12.2007. Now the grievance of the petitioner is that without any notice to him, the 3rd respondent got raised the attachment order on 13.7.2002 and deposited only an amount of Rs.4,21,478/-, instead of Rs.5,05,000/-, which the petitioner is entitled to, to the credit of Andhra Bank referred to above. Aggrieved by the same, the petitioner made a representation dated 25.12.2016 to the 2nd respondent for taking necessary action against the 3rd respondent, by virtue of the powers conferred on him under Sections 4 and 5 of the A.P. Protection of Depositors of Financial Establishment Act, 1999 and the Rules made there under, but no action has been taken. Hence the writ petition.

Though notice is served on the 3rd respondent, there is no representation its behalf.

Heard the counsel for the petitioner and the learned Assistant Government Pleader for Revenue.

Having regard to the facts and circumstances and the submissions of the learned counsel, without expressing any opinion on merits, the writ petition is disposed of at the stage of admission, directing the 2nd respondent to take appropriate action in accordance with law on the representation of the petitioner dated 25.12.2016, within a period of three months from the date of receipt of a copy of this order. No costs.

Miscellaneous petitions pending if any, shall stand closed.

DATE: 22—02—2017
AVS

A. RAJASHEKER REDDY, J

