

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.02.2020

CORAM

THE HON'BLE MR.JUSTICE T.S.SIVAGNANAM

W.P.No.8290 of 2017
and
W.M.P.No.9075 of 2017

- 1.M/s.Mangal Leathers Pvt. Ltd.,
Represented by its Director M.Thirupathy,
S/o.P.Meyappa Chettiar,
New No.21 (Old No.10), Vepery High Road,
Periamet,
Chennai - 600 003.
 - 2.A.H.Badusha
K.Sharhathsheriff (Died)
 - 3.N.Abdul Rahim
 - 4.M.Thirupathy
- ...Petitioners
- Vs.

- 1.State of Tamil Nadu
Rep. by The Additional Chief Secretary to Government,
Commercial Tax and Registration Department,
Fort St. George,
Chennai - 600 009.
 - 2.Margadarsi Chits Private Limited,
Rep. by its Foreman P.Vilasini
No.89, 1st Floor, Sree Pankaj Complex,
Perambur Barracks Road, Vepery,
Pursaiwalkam,
Chennai - 600 007.
 - 3.M.Usha
Arbitrator, Central Chennai Chit Fund Case,
North Chennai,
Chennai.
- ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari, to call for the records relating to the impugned order dated 10.02.2017 in Reference No.G.O(D).No.63 passed by the 1st respondent and quash the same.

For Petitioners : Mr.R.Muniyapparaj

For Respondents

R1 & R3 : Mr.P.P.Purushothaman
Government Advocate

R2 : Mr.D.Shivakumaran

O R D E R

Heard Mr.R.Muniyapparaj, learned counsel appearing for the petitioners, Mr.P.P.Purushothaman, learned Government Advocate appearing for the respondents 1 and 3 and Mr.D.Shivakumaran, learned counsel appearing for the 2nd respondent.

2.The petitioners seek for setting aside the order passed by the Government in G.O.(D).No.63, Commercial Taxes and Registration (G) Department, dated 10.02.2017. The said order came to be passed on an appeal filed by the petitioners under Section 70 of the Chit Funds Act, 1982. The appeal was dismissed by the Government and the petitioners are before this Court challenging the said order.

3.The learned counsel for the petitioners strenuously contended that in respect of two of the chits which have been availed by the petitioners though substantial payments have been made, the same has not been reckoned by the Chit Company and this important factor was not taken note of by the first respondent while passing the impugned order.

4.The respondent, Chit Company has stated about the entire transaction and how the petitioners did not cooperate in the arbitration proceedings for 37 hearings and even before the Appellate Authority, the appeal was filed belatedly and after affording opportunity, the appeal was rejected. On going through the order passed by the Appellate Authority, it is evidently clear that the petitioners have been adopting the dilatory tactics. There has been an inordinate delay of 810 days in filing the appeal and no reasons were furnished for condonation of such inordinate delay. Furthermore, the first respondent noted that for more than 37 hearings, the petitioners did not appear before the learned Arbitrator and on the last date, they appeared and filed vakalat. Subsequently, they did not appear. Thus, it is evidently clear that the petitioners have not been cooperating with any of the proceedings and the present attempt of the petitioners is only to delay and defeat the claim of the respondent Chit Company. Thus, this Court finds that there is absolutely no error in the impugned order. Accordingly, the writ petition is dismissed. However, it is open to the petitioners to approach the respondent Chit Company

with one time settlement offer and if it is found reasonable, the respondent Chit Company can consider the same in accordance with law. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar (CS-VIII)

//True Copy//

Sub Assistant Registrar

cse

To

1.The Additional Chief Secretary to Government,
State of Tamilnadu,
Commercial Tax and Registration Department,
Fort St. George, Chennai - 600 009.

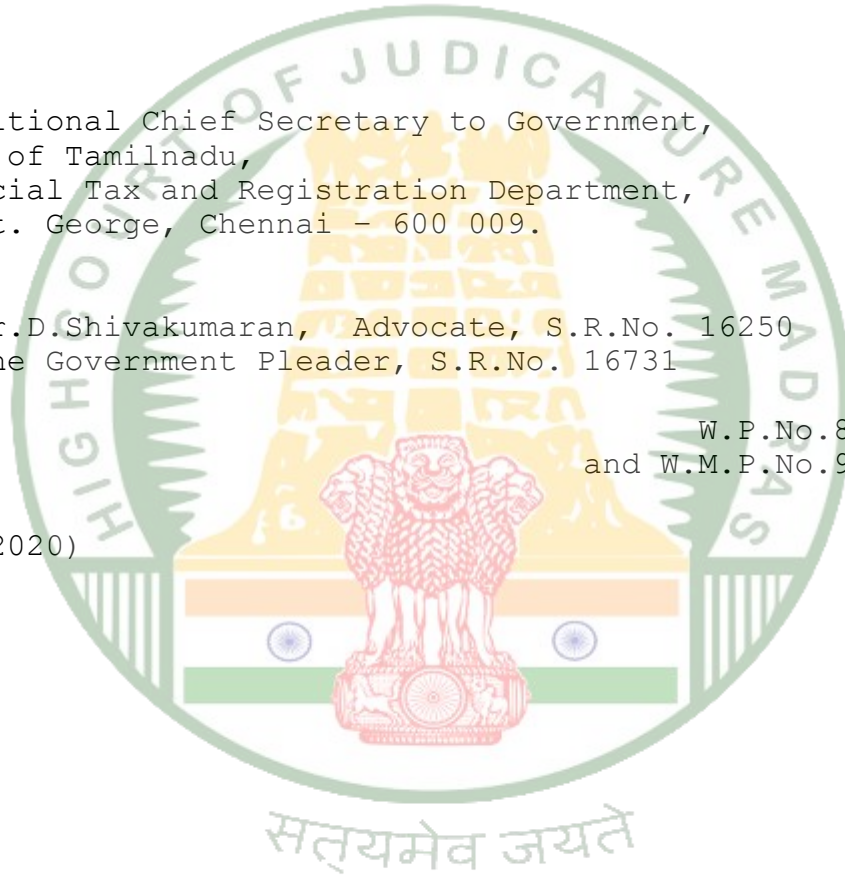
+1cc to Mr.D.Shivakumaran, Advocate, S.R.No. 16250

+1cc to the Government Pleader, S.R.No. 16731

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GP(CO)

GN(20/03/2020)



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