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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 09.11.2021

CORAM :

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM

W.P.NO.3333 OF 2011

&

M.P.NO.1 OF 2011

1.R.Indira Priyadarshini

2.V.Anandapadmanabhan

... Petitioners

Vs.

1. Sri Ram Chits, Tamilnadu Pvt.Ltd.,
Branch Office, Neyveli-1.

2. The Deputy Registrar of Chits,
Cuddalore

3. The State of Tamilnadu rep by the Principal
Secretary to the Government,
Department of Commerce and Registration,
Fort St. George, Chennai - 9.

4. P.Christuraj

5. S.P.Anbarasu

... Respondents

Prayer : Writ Petition is filed under Article 226 of the Constitution of India to call for the records relating to the order of the 3rd respondent made in letter No.2275/G/2010-1 dated 28.04.2010 and to quash the same by issue of Certiorarified Mandamus or any other appropriate writ or order or direction in the nature of Writ and to direct the 3rd respondent to dispose the appeal dated 06.01.2010 on merits.



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For Petitioners	:	Mr.P.Madhan
For Respondent 1	:	Mr.K.V.Ananthakrushnan
For Respondents 2 & 3	:	Mr.C.Selvaraj Government Advocate
For Respondent 4	:	Mr.R.Sagadevan
For Respondent 5	:	No Appearance

O R D E R

(Through Video Conferencing)

The present Writ Petition has been instituted questioning the validity of the order passed by the 3rd respondent vide proceedings dated 28.04.2010.

2. The petitioners would state that they had subscribed for a Chit with the 1st respondent, Sri Ram Chits, Tamilnadu Pvt. Ltd,. The petitioners state that they had paid a monthly installments and participated in the chit. The 1st respondent paid the total sum of Rs.1,86,000/- by cheque to the petitioners and the petitioners had repaid the sum of Rs.1,20,000/- to the 1st respondent. The respondents 4 and 5 are the guarantors to the respondent. The 1st respondent approached the arbitrator and an award was passed and they had filed E.P.No.197 of 2009 in A.R.C.No.792 of 2005.

3. The grievances of the petitioners is that they were not aware of the proceedings and could not able to participate in the process of adjudication. The 3rd respondent / Government also rejected the appeal filed on the ground of delay. Therefore, the Writ Petition has to be considered.

4. The learned counsel appearing on behalf of the 1st respondent made a submission that the 1st petitioner, R.Indira Priyadarshini had joined as subscriber in the chit group at Neyveli branch of the 1st respondent to the value of Rs.6,00,000/- payable at Rs.20,000/- per month. She bid in the auction held on 21.02.2004 at the seventh installment and the



prize amount of Rs.3,60,000/- was paid on 05.07.2004 to the subscriber. However, the petitioners failed to pay the subscription.

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5. Thus, arbitration proceedings were initiated in A.R.C.No.795 of 2005 for recovery of a sum of Rs.4,09,035/- from the parties. Notice was served to the parties and they did not appear in person or through counsel on the hearing date i.e., 24.10.2005. They did not pay the amount also. Thus, the award was passed against the petitioners and sureties. Thereafter, the Execution Proceedings were filed before the Subordinate Court, Virudhachalam, to recover a sum of Rs.7,02,893/- by attachment of the salary of the petitioners, the 4th and 5th respondents. The salary of the 4th respondent has been attached.

6. The petitioners preferred an appeal before the Government under the Chit Fund Act and such an appeal was filed after a lapse of more than four years. Thus, the Government has also rejected the appeal on the ground of delay. Thus, the present Writ Petition has to be rejected.

7. It is seen that the petitioners had participated in the bid conducted by the 1st respondent and the prize amount as per the 1st respondent is Rs.3,60,000/-. The 1st respondent has initiated an action for recovery of an amount and the petitioners had failed to defend their case. Even, the impugned letter issued by the Government on 28.04.2010 reveals that the procedures were followed and summon was sent to the petitioners to appear before the arbitrator on 24.10.2005 but the petitioners had failed to appear. Thus, ex parte award was passed. Even, the petitioners have approached the Government after a long delay of four years. Therefore, the Government had rejected the appeal filed under Section 70 of the Chit Funds Act.

8. This Court is of the considered opinion that the aggrieved person shall pursue the remedy in the manner known to law within a reasonable period of time. If the delay is meager, then, the authorities / Court may condone such a delay. However, in the instant case the delay in approaching the Government itself was more than four years and such a long delay cannot be condoned and in the event of condoning the delay, the same would cause prejudice to the other party.



9. Thus, this Court does not find any acceptable reason for interfering with the impugned order passed by the 3rd respondent.

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10. Accordingly, the Writ Petition fails and stands dismissed. Consequently, connected Miscellaneous Petition is also closed. No costs.

Sd/-
Assistant Registrar(CO)

// True Copy //

Sub Assistant Registrar

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To

1. The Deputy Registrar of Chits,
Cuddalore
2. The Principal
Secretary to the Government,
Department of Commerce and Registration,
Fort St. George, Chennai - 9,
Tamil Nadu.

+1cc to Mr.K.V.Ananthakrushnan, Advocate, S.R.No.57740

+1cc to the Government Pleader, S.R.No.58008

W.P.No.3333 of 2011
&
M.P.No.1 of 2011

GSM(CO)
RLP(24/11/2021)