



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 17.08.2021

CORAM

THE HON'BLE MR. JUSTICE SENTHILKUMAR RAMAMOORTHY

W.P. (MD) No.14543 of 2021

M.Ramalingam

... Petitioner

Vs.

1.The District Registrar of Chit Funds,
District Registrar Office,
Madurai South, Madurai.

2.Sri Vignesh Guru Chits Pvt. Ltd.,
24, Gandhi Street,
Pethaniyapuram,
Madurai-16.

3.S.Ganeshan

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, directing the first respondent to complete the enquiry on the petitioner's complaint dated 01.02.2018 and consequently direct the first respondent to initiate action as against the second respondent based on the petitioner's representation dated 22.03.2019 within the time stipulated as prescribed by this Court.

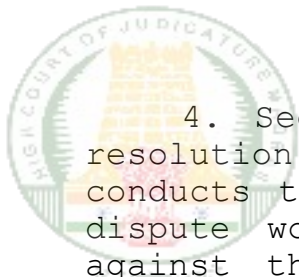
For Petitioner	:	Mr.P.T.Ramesh Raja
For Respondents	:	Mr.P.Subbaraj
	:	Counsel for State for R1

O R D E R

The petitioner seeks the expeditious conclusion of the inquiry by the first respondent as regards his complaint against the second respondent herein.

2. The petitioner asserts that he entered into transactions with the second and third respondents herein and that a dispute has arisen in relation thereto. Therefore, he approached the first respondent for the resolution of such dispute. In response, he received a notice dated 18.06.2018 to appear on 09.07.2018. The petitioner claims that he attended such hearing on 09.07.2018, but the inquiry was not concluded .

3. Mr.P.Subbaraj, learned counsel for the State, accepts notice on behalf of the first respondent. He refers to the inquiry notice dated 18.06.2018 and indicates that the first respondent duly called for a hearing in response to the petitioner's complaint.



4. Section 64 of the Chit Funds Act 1982, provides for the resolution of disputes between a subscriber and the person who conducts the chit funds business, namely, the foreman. The present dispute would clearly qualify as a claim made by a subscriber against the foreman. Such disputes are required to be resolved through arbitration. The facts on record disclose that a hearing was scheduled on 09.07.2018. While the petitioner alleges that the dispute was not resolved, it is unclear as to the result of the petitioner's complaint against the private respondents herein. In any event, such dispute should be resolved expeditiously.

5. Accordingly, without going into the merits of the matter, the first respondent herein is directed to conclude the arbitration proceedings in relation to the dispute raised by the petitioner, either by acting as the arbitrator in respect thereof or by appointing an arbitrator in respect of such dispute. In either case, such dispute shall be concluded by an arbitral award within a period of six months from the date of receipt of a copy of this order. Needless to say, such arbitral award shall be passed after providing a reasonable opportunity to the petitioner and to the private respondents herein. In view of the fact that the merits of the matter have not been gone into and because the first respondent or the arbitrator concerned is directed to hear the second and third respondents herein before issuing the arbitral award, the writ petition is disposed of without notice to the private respondents.

6. W.P.(MD).No.14543 of 2021 is disposed of on these terms without any order as to costs.

Sd/-

Assistant Registrar (ADII)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

sbn

To

The District Registrar of Chit Funds,
District Registrar Office,
Madurai South, Madurai.

+1 CC to M/s.SPL GP (SR-26646[F] dated 18/08/2021)

W.P.(MD) No.14543 of 2021
17.08.2021

MA (CO)

KB(25.08.2021) 2P 3C

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