



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.02.2022

CORAM:

THE HONOURABLE MR.JUSTICE V.BHARATHIDASAN

W.P.Nos.4935 & 4936 of 2017
and W.M.P.Nos.23176 & 23174 of 2020

W.P.No.4935 of 2017

1. P.Mariappan
2. A.Ravi
3. P.Ramachandran
4. T.Selvarasu
5. N.Raja

..Petitioners

Vs.

1.The Additional Chief Secretary to Government, (FOC)
Commercial Taxes and Registration (G) Department,
Secretariat, Chennai - 9.

2.The Deputy Registrar of Chits (East),
Salem.

3.M/s.Dhanalakshmi Sirinivasan Chit Funds P. Ltd.,
represented by its Authorised person R.Premkumar,
No.723, Sathiya Arket, Kamarajanar Road,
Attur Taluk, Salem District.

..Respondents

Prayer: Writ Petition filed under Article 226 of the
Constitution of India seeking a Writ of Certiorari calling for
the records pertaining to the order dated 28.11.2016, passed
by the first respondent herein in G.O.(D).No.438 and quash the
same.

For Petitioners : Mr.R.Nalliyappan

For Respondents 1 & 2 : Mr.P.Satish
Additional Government Pleader

For Respondent 3 : Mr.Y.Jyothish Chander

W.P.No.4936 of 2017

1. P.Mariappan
2. P.Ramachandran
3. N.Raja
4. T.Selvarasu
5. C.Raja
6. V.Kamaraaj

..Petitioners



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Vs.

1.The Additional Chief Secretary to Government,
Commercial Taxes and Registration (G) Department,
Secretariat, Chennai - 9.

2.The Deputy Registrar of Chits (East),
Salem.

3.M/s.Dhanalakshmi Sirinivasan Chit Funds P. Ltd.,
represented by its Authorised person R.Premkumar,
No.723, Sathiya Arket, Kamarajanar Road,
Attur Taluk, Salem District.

..Respondents

Prayer: Writ Petition filed under Article 226 of the
Constitution of India seeking a Writ of Certiorari calling for
the records pertaining to the order dated 28.11.2016, passed
by the first respondent herein in G.O.(D).No.439 and quash the
same.

For Petitioners : Mr.R.Nalliyappan

For Respondents 1 & 2 : Mr.P.Satish
Additional Government Pleader

For Respondent 3 : Mr.Y.Jyothish Chander

C O M M O N O R D E R

(The case has been heard through video conference)

The writ petitions have been filed challenging the
rejection of the appeals filed by the petitioners under
Section 70 of the Chit Funds Act, 1982.

2. The petitioners stood guarantors to one Periyasamy,
who has subscribed chits with the third respondent. Since the
subscriber committed default, recovery proceedings have been
initiated by the third respondent and award also came to be
passed fixing liability on the subscriber and the guarantors.

3. Perusal of the records, it could be seen that
challenging the award, the petitioners have filed a petition
under Section 34, of the Arbitration Act in AR.OP.No.3 of
2016, which was subsequently dismissed. Thereafter, the
petitioners have filed appeal under Section 70, of the Chit
Funds Act with huge delay, and the same came to be dismissed
by the Government, against which, the present writ petitions
have been filed.

4. The appeal has been dismissed on the ground that
despite several notice issued by the Arbitrator, petitioners



did not appear before the Arbitrator and hence an ex-parte award has been passed. That apart, appeal has been filed with a delay of 1 year 9 months and 10 days without stating any valid reason for the delay.

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5. This Court carefully perused the records and finds no error in the impugned orders passed by the first respondent. The petitioners deliberately avoided to appear before the Arbitrator, that apart filed the appeal with long delay, they have not given any valid reason for condoning the delay. In such circumstances, this Court does not find any reason to interfere with the order passed by the first respondent and the writ petitions are only liable to be dismissed and accordingly dismissed. Consequently, the connected miscellaneous petitions are closed. No costs.

Sd/-

Assistant Registrar (CS-IV)

//True Copy//

Sub Assistant Registrar

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To

1.The Additional Chief Secretary to Government,
Commercial Taxes and Registration (G) Department,
Secretariat, Chennai - 9.

2.The Deputy Registrar of Chits (East),
Salem.

+1cc to Mr.Y.Jyothish Chander, Advocate SR. No.12726
+1cc to Mr.R.Nalliyappan, Advocate SR. No.12857
+1cc to Government Pleader SR. No.13364

W.P.Nos.4935 & 4936 of 2017 and
W.M.P.Nos.23176 & 23174 of 2020

AJB (CO)
PR (12/04/2022)