



W.P.Nos.1541 to 1543 of 2017 &
WMP.Nos.1443 to 1445 of 2017

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 23.02.2023

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THE HONOURABLE **DR. JUSTICE ANITA SUMANTH**

W.P.Nos.1541 to 1543 of 2017 &
WMP.Nos.1443 to 1445 of 2017

1.T.K.Krishnan

2.T.K.K.Saroja

3.T.K.K.Arulmurugan

... P1 to P3 in all W.P.'s

4.T.K.K.Senthilkumar

... P4 in W.P.No.1541 of 2017

Vs

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

2.M/s.Sowdambika Finance Chits (P) Ltd.,
No.113, Oppanakkara Street,
Coimbatore – 641 001,
Rep. by its Managing Director S.Manoharan.

(R2 amended vide order dated 14.02.2023
made in WMP.Nos.25708 to 25710 of 2018 in
W.P.Nos.1541 to 1543 of 2017) ... Respondents in all W.P.'s

Prayer in all W.P.'s: Writ Petitions filed under Article 226 of the Constitution
of India, praying to issue a writ of Certiorari, calling for the records and quash



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the orders dated 22.07.2016 in Letter No.6764/G/2016-1, dated 28.07.2016 in Letter No.6760/G/2016-1 & dated 28.07.2016 in Letter No.6762/G/2016-1 passed by the Addl. Chief Secretary to Govt., Commercial Taxes and Registration (G) Department, Secretariat, Chennai – 9.

For Petitioners : Mr.Manivannan
for Mr.E.J.Ayyappan

For Respondents : Mr.Alagu Gowtham
Government Advocate – R1

No appearance – R2

ORDER

Read this order in conjunction with and in continuation of order dated 14.02.2023 that reads thus:

“In light of the averments contained in the affidavit and all parties acceding to the prayer in WMP Nos.25708, 25709 and 25710 of 2018 which is for substitution of the name of R2 as S.Manoharan, Managing Director instead of Administrator in the Writ Petitions, WMP Nos.25708, 25709 and 25710 of 2018 are ordered.

2. Mr.Krishnakumar, learned counsel enters appearance for substituted R2 in the Writ Petitions and circulates a copy of order passed in W.P.Nos.20714 of 2013 etc. batch dated 29.09.2022, wherein the same question as before me came to be considered in the case of other depositors in Sowdambika Finance Chits (P) Ltd. (in short 'Chit Company').

3. The issue relates to an order passed in arbitration proceedings condoning the delay in initiation of arbitration. The only difference between those matters and the present is the



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quantification of the delay in the Writ Petitions. Before me, the delay is of a period of 2070 days, whereas, in those Writ Petitions, as seen from paragraph 8 of order dated 29.09.2022, the delay is 1802, 1450 and 2053 days respectively. Barring this, the issue remains one and the same. The learned Judge has dismissed the Writ Petitions directing the Deputy Registrar of Chits, Coimbatore to entertain the claims, decide the disputes and award interests barring for the period of delay.

4. Prima facie I am inclined to follow the same order, excepting to add that the award of interest would itself be subject to the decision taken in arbitration.

5. Learned counsel for the petitioner seeks few days to obtain instructions as to whether order dated 29.09.2022 passed in W.P.Nos.20714 of 2013 etc. is applicable to this case and whether it has attained finality. To enable him to do so, list on 23.02.2023. R1 has filed counters. Let copies of the same be served upon the petitioners forthwith."

2. Mr.Manivannan, learned counsel appearing on behalf of learned counsel on record for the petitioners would accede to the position that the order passed in W.P.Nos.20714 of 2013 etc. batch dated 29.09.2022 would apply on all fours to the present matters as well.

3. Recording this, these writ petitions are dismissed with a direction to the Deputy Registrar of Chits, Coimbatore to entertain the claims and decide the disputes awarding interests barring for the period of delay.

4. At the time of admission on 27.01.2017, the following order has been passed in the writ miscellaneous petitions accompanying these writ petitions.



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*“In all these matters, the learned counsel for the petitioner relying upon a decision of this Court in **V.Sundarajan Vs State of Tamil Nadu and Others** equivalent citation reported in AIR 2004 Madras 277 would state that an appeal would lie even as against any interlocutory application u/Section 70 of the Chit Funds Act, 1982.*

In view of the above, there shall be an order of interim stay in all these three writ petitions on condition that the petitioners shall deposit a total sum of Rs.50,000/- (Rupees Fifty Thousand Only) directly to the credit of ARC Nos.58 to 60 / 2014 on the file of the Deputy Registrar of Chits, Coimbatore, without prejudice to their rights, within a period of four (4) weeks from the date of receipt of a copy of this order.

Notice.”

5. Mr.Alagu Gowtham, learned Government Advocate for R1 would confirm that there has been compliance of the aforesaid order. Thus, let the amount standing to the credit of ARC Nos.58 to 60 / 2014 per order dated 27.01.2017 be adjusted towards the amount finally determined. No costs. Consequently, connected miscellaneous petitions are closed.

23.02.2023

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Index : Yes / No

Speaking Order

Neutral Citation : Yes



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Dr.ANITA SUMANTH, J.

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23.02.2023