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CRP(PD).No.2 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 03.02.2025

CORAM

THE HONOURABLE Ms. JUSTICE P.T. ASHA

CRP.(PD).No.2 of 2025

R.Sharmila

... Petitioner

Vs.

1.DFCF Chits (P) Ltd.
D.No. 16-250 Church Street,
Chittoor r/b its Foreman and Director K.Devaraju
S/o. K.R.Krishnaiah Chetty,
Business, D.No. 28-1327/2A, New Balaji Colony,
Near Kesava Reddy School,
Chittoor City and District 517501,
Andhra Pradesh

2.J.Jaba Christopher

... Respondents

Prayer:- Civil Revision Petition is filed under Article 227 of the Constitution of India to direct the Subordinate Court, Katpadi, Vellore District for speedy disposal of the I.P.No. 11 of 2022 in accordance with section 74 of the Provincial Insolvency Act 1920.

For Petitioner : M/s.J.Karthik Eswaran



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ORDER

The 2nd respondent in an Insolvency Petition IP No.11 of 2022 on the file of the Subordinate Court, Katpadi, Vellore District has filed this Civil Revision seeking an early disposal of IP No.11 of 2022.

2. The reason for early disposal of the Insolvency Petition has been set out in the affidavit filed in support of the petition wherein the petitioner would submit that since the 2nd respondent had cheated the 1st respondent in a Chit business, the 1st respondent had filed IP No.11 of 2022 to declare the 2nd respondent as an insolvent, to appoint the Official Receiver, Vellore District as an Interim Receiver relating to the schedule mentioned properties of the 2nd respondent and to declare the sale deed executed by the 2nd respondent in favour of the petitioner as null and void.

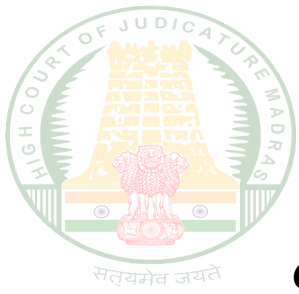
3. Through the copy of the Insolvency Petition, the petitioner came to learn that the 2nd respondent had failed to pay chit installments to the 1st respondent and a total sum of Rs.12,50,000/- was due during the year of 2020 for which a promissory note has been executed between the 1st and the 2nd respondents. The petitioner



would submit that she is the 3rd party to both 2nd and 3rd respondents and had no previous relationship with them and she is totally unaware of the dispute regarding the chit deposit.

4. The petitioner had purchased the property from the 2nd respondent for a valid sale consideration of Rs.40,00,000/- under registered sale deed dated 07.01.1922. She had obtained a loan from ICICI Home Finance Company Ltd. for the purchase of the property and the original documents are placed in the custody of ICICI Home Finance as collateral.

5. The petitioner would submit that she has been included in IP No.11 of 2022 by the 1st respondent since she had purchased the immovable property of the 2nd respondent. The petitioner would submit that the Insolvency proceedings is at inquiry stage and pending at this stage for over a year. The property that she had purchased after obtaining a loan is the subject matter of these proceedings and unless the proceedings are heard and disposed of at the earliest, she is not in a position to retrieve her property for which she is also servicing the loan.



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6. Heard the learned counsel for the petitioner.

7. Considering the above facts and taking note of the fact that the inquiry has been pending for over a year, the above Revision Petition is allowed and a direction is issued to the Subordinate Court, Katpadi, Vellore District to dispose of I.P.No.11 of 2022 in accordance with Section 74 of the Provincial Insolvency Act, 1920 as expeditiously as possible and not later than 8 months from the date of receipt of a copy of this Order. No costs.

03.02.2025

(shr)

Index : Yes/No

Speaking Order: Yes/No

Neutral Citation : Yes/No

To

1.The Subordinate Court, Katpadi, Vellore

P.T. ASHA. J.,



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