

HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

FRIDAY, THE THIRD DAY OF JULY
TWO THOUSAND AND TWENTY SIX

:PRESENT:

THE HONOURABLE SRI JUSTICE VAKITI RAMAKRISHNA REDDY

I.A.No. 1 OF 2026

IN

CRP NO: 1862 OF 2026

Between

1. Shetty Raju, S/o. Lingam
2. Sarat Chandra Shekar, S/o. Damodher,
3. Samaleti Ashok, S/o. Yellappa,
4. Dama Venu Gopa,, S/o. Rajaiah

...PETITIONERS/Revision Petitioners
(Petitioner in CRP NO: 1862 OF 2026
on the file of High Court)

AND

1. Kanaka Durga Chit funds Pvt. Ltd. Vinayaknagar, D.No.4-8-771, Islamiahathai Gally, Nizamabad-503001.
Rep. by authorized signatory P. Raghunandan S/o. Lingaiah Age.52 years Occ. A.G.M. LEGAL Cell No.7997987976.
2. Kanaka Durga Chit funds Pvt. Ltd, Registered Head Office at D.No.5-11-503 & 504, 1st Floor, Kandakatla Gate way, KUC Junction Hanmakonda Warangal T.G. Pin 506 009,
Its Promoters Kamalakar/
Kondom/Adi Reddy Pendyala,.
3. The Deputy Registrar of Chits/Arbitration, at Nizamabad 503001.

...RESPONDENTS/Respondents
(Respondents in-do-)

Counsel for the Petitioners: SRI Y S YELLA NAND GUPTA

Petition under Section 151 of C.P.C praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to STAY of all further proceedings of the Ex-Parte Award passed in Dispute No. 26 of 2020 dated 28-12-2020 by the 3rd Respondent/the Deputy Registrar of Chits at Nizamabad, Nizamabad District, and proceedings of the E.P.No.162/2022 on the file of the Principal Junior Civil Judge at Nizamabad including the Warrant of Salary Attachment of the Appellants, pending disposal of CRP No 1862 of 2026, on the file of the High Court.

The Court made the following

ORDER

This application is filed seeking stay of all further proceedings of the *ex-parte* Award passed in Dispute No.26 of 2020, dated 28.12.2020 by the 3rd respondent/the Deputy Registrar of Chits at Nizamabad, Nizamabad District and proceeding of the E.P.No.162 of 2022 on the file of the Principal Junior Civil Judge at Nizamabad.

Heard learned counsel for the petitioners. Perused the record.

Learned counsel for the petitioners specifically contends that insofar as the petitioners are concerned, no notice was served on them by the learned arbitrator, as is evident from the impugned order itself. However, with regard to the service of notice on petitioner Nos.1, 2 and 4, the same was said to have been served through substituted service, which according to the learned counsel for the petitioners, is not in conformity with the applicable procedure.

It is further contended by the learned counsel for the petitioners that the said steps for causing paper publication and thereby serving the notice through substituted service was made during the lockdown period. Thus, it is contended that the same was illegal and that unless interim relief is granted, the petitioners would suffer irreparable loss and injury.

Having considered the submissions advanced by the learned counsel for the petitioners, *prima facie*, it is evident from the record that no personal notices were served upon petitioner Nos.1, 2 and 4, however, the notices said to have been served through substituted service. In the facts and circumstances the case, whether service of notice through substituted service constitutes sufficient service of notice, requires examination.

Accordingly, issue notice to respondents. Learned counsel for the petitioners is permitted to take out personal notice on respondent Nos.1 and 2 and file proof of service in the Registry by the next date of hearing.

There shall be interim stay of order dated 28.12.2020 passed in Ex-Parte Award in Dispute No.26 of 2020 by the Deputy Registrar of Chits at Nizamabad and proceedings of the E.P.No.162 of 2022 on the file of Principal Junior Civil

Judge at Nizamabad including the warrant of Salary attachment of the petitioners, till 17.07.2026.

List on 17.07.2026.

SD/- P.C.SULEKHA DEVI
ASSISTANT REGISTRAR

//TRUE COPY//


SECTION OFFICER

To,

1. The Principal Junior Civil Judge at Nizamabad.
2. P. Raghunandan S/o. Lingaiah, authorized signatory, Kanaka Durga Chit funds Pvt. Ltd, Vinayaknagar, D.No.4-8-771, Islamiahathai Gally, Nizamabad-503001..[By SPAD]
4. Kamalakar Kondom, Promoters, Kanaka Durga Chit funds Pvt. Ltd, Registered Head Office at D.No.5-11-503 & 504, 1st Floor, Kandakatla Gate way, KUC Junction Hanmakonda Warangal T.G. Pin 506 009,
5. Adi Reddy Pendyala, Promoters, Kanaka Durga Chit funds Pvt. Ltd, Registered Head Office at D.No.5-11-503 & 504, 1st Floor, Kandakatla Gate way, KUC Junction Hanmakonda Warangal T.G. Pin 506 009.
6. The Deputy Registrar of Chits/Arbitration, at Nizamabad 503001.
7. One CC to Sri. Y S YELLA NAND GUPTA Advocate [OPUC]
8. One spare copy

HIGH COURT

VRKR, J

DATED: 03-07-2026

LIST ON 17.07.2026.

ORDER

**I.A.No. 1 OF 2026
IN
CRP NO: 1862 OF 2026**

INTERIM STAY

