



WEB COPY

WP No. 15338 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 20-04-2026

CORAM

THE HON'BLE MR JUSTICE M.DHANDAPANI

WP No. 15338 of 2026

and

WMP No.16547 of 2026

1. K.N.Nagarajan
2. N. Kotteswari
both are residing at Old No.8/1,
New No.13/1,Peters Road,
Royapettah,
Chennai-600 014

..Petitioners

Vs

1. The State of Tamil Nadu
Rep. by its Secretary to Government
Commercial Taxes and Registration, (G)
Department,
Fort St. George, Chennai 600 009
2. The Sole Arbitrator for Chennai Central,
Chit Fund Cases Court,
Nandanam, Fanpettai, Chennai-600 035
3. Shriram Chits India Pvt. Ltd.,
Mount Road Branch,
No.4/289, Pycrofts Road,
Triplicane, Chennai-600005

..Respondents



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Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Mandamus, directing the 1st respondent to dispose of the statutory Appeal under Section 70 of the Tamil Nadu Chit Funds Act, 1982 under Appeal Ref. No.10073913 /G/2025 dated 26.03.2025 on merits and in accordance with law within such time as may be stipulated by this Hon'ble Court.

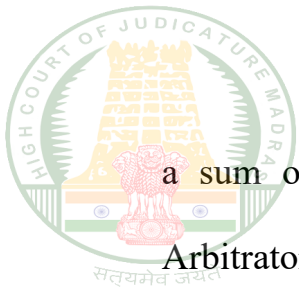
For Petitioners: Mr.P.Seshadri

For Respondents: Ms.Vasanthamala for R1 & R2
Government Advocate
R3-Notice dispensed with

ORDER

This petition has been filed seeking a direction to the 1st respondent to dispose of the statutory Appeal under Section 70 of the Tamil Nadu Chit Funds Act, 1982 under Appeal Ref. No.10073913 /G/2025 dated 26.03.2025 on merits and in accordance with law, within a time frame to be fixed by this Court.

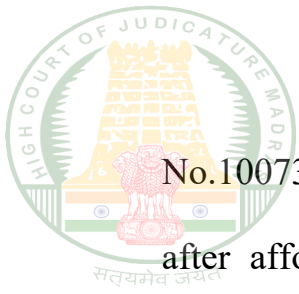
2.The learned counsel for the petitioners would submit that, the petitioners had subscribed to certain Chit transactions with the 3rd respondent, and on account of certain defaults, the 3rd respondent initiated Arbitration proceedings in ARC No.537 of 2018 on the file of the 2nd respondent, claiming



a sum of Rs.36,14,877/- with interest at 24% per annum. However, the Arbitrator, on an erroneous view and approach to the facts and legal issues involved, passed an award for the aforesaid amount by Award dated 21.06.2023 stipulating that an appeal under Section 70 of the Tamil Nadu Chit Funds Act, 1982 could be availed. Accordingly, the petitioners have filed a statutory appeal under Section 70 of the Act on 26.03.2025 praying to set aside the said award and the said appeal has been pending for a long time without any order of interim stay. In the meanwhile, the 3rd respondent has initiated execution proceedings in E.P No.4950 and 4952 of 2023 in ARC No.537 of 2018 on the file of the X Assistant Judge, City Civil Court, Chennai, wherein the properties of the petitioners, which were offered as security, have been attached and further execution proceedings for sale are underway. Hence the present writ petition has been filed for the aforesaid relief.

3.Since no adverse order is being passed against the third respondent, notice to the third respondent is dispensed with.

4.Considering the limited request made by the learned counsel for the petitioners, this Court, without going into the merits of the case, directs the first respondent to dispose the appeal filed by the petitioners in Appeal Ref.



No.10073913 /G/2025 dated 26.03.2025, on merits and in accordance with law, after affording an opportunity of personal hearing to the third respondent, within a period of twelve (12) weeks from the date of receipt of a copy of this order.

5. With the above direction, this writ petition is disposed of. No costs. Consequently, connected miscellaneous petition is closed.

20-04-2026

Index: Yes/No

(2/2)

Speaking/Non-speaking order

Neutral Citation: Yes/No

Uma



To

1. The Secretary to Government
Commercial Taxes and Registration, (G)
Department,
Fort St. George, Chennai 600 009
2. The Sol Arbitrator for Chennai Central,
Chit Fund Cases Court,
Nandanam, Fanpettai, Chennai-600 035
3. Shriram Chits India Pvt. Ltd.,
Mount Road Branch,
No.4/289, Pycrofts Road,
Triplicane, Chennai-600005



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M.DHANDAPANI, J.

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