

HIGH COURT OF ANDHRA PRADESH :: AMARAVATI

MAIN CASE No: W.P.No.18205 of 2023

PROCEEDING SHEET

Sl. No.	<u>DATE</u>	<u>ORDER</u>	<u>OFFICE NOTE</u>
1.	21.07.2023	<u>NJS, J</u> <u>I.A.Nos.1 & 2 of 2023</u> Heard Mr.Posani Venkateswarlu, Learned Senior Counsel appearing for the petitioners. Also heard Mr.C.Sumon, Learned Special Government Pleader attached to the Office of the Learned Advocate General. The Learned Senior Counsel submits that on the earlier occasion, in similar circumstances, interim orders were granted on 18.07.2023 in I.A.Nos.1 & 2 of 2023 in W.P.No.16766, I.A.Nos.1 & 2 of 2023 in W.P.No.16767 & I.A.Nos.1 & 2 of 2023 in W.P.No.16768 of 2023. He submits that in the light of the said orders, the petitioners, who are the subscribers and similarly situated like the petitioners in W.P.Nos.16766, 16767 & 16768 of 2023, are entitled for interim protection. The Learned Special Government Pleader submits that as per his instructions Receivers were appointed in so far as the Branches situated in Eluru, Visakhapatnam, Rajamahendravaram and Vijayawada pursuant to the orders of the concerned Deputy Registrars and the consequential orders also have to be questioned.	

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		-2- Referring to Section 54 of the Chit Funds Act, the Learned Senior Counsel, in reply, submits that once the order of the Deputy Registrar is not sustainable, the appointment of Receivers in delegation of powers would be of no consequence. While taking note of the respective submissions, as this Court expressed a <i>prima facie</i> view that the orders passed by the Deputy Registrars of Chits in the earlier Writ Petitions referred to above, are not sustainable <i>inter alia</i> on the premise that the subscribers have not been given opportunity and other reasons, the petitioners herein are also entitled for the same relief. The appointment of the Receiver, if any, pursuant to the order impugned in the present Writ Petition, which is <i>prima facie</i> not tenable in Law, is only consequential. Therefore, there shall be interim suspension of the impugned Proceedings dated 20.06.2023. Further, the Receiver appointed as a consequence to the impugned Proceedings shall not take further action in the matter. NJS, J <u>W.P.No.18205 of 2023</u> <i>Rule Nisi.</i> Call for the records. Issue notice to Respondent No.4, returnable in three (3) weeks.	

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		-3- Learned Counsel for the petitioners is also permitted to take out personal notice to the Respondent No.4 by RPAD and file Proof of Service in the Registry. List this case along with W.P.Nos.16766, 16767 & 16768 of 2023 for filing Counters. <u> </u> NJS, J IS	