Date of reserved for orders : 16.09.2026
Date of pronouncement : 15.10.2026
Date of uploading :

APHC010262262018

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI [3333]
(Special Original Jurisdiction)

FRIDAY, THE 16th DAY OF OCTOBER 2026

PRESENT

THE HONOURABLE SMT JUSTICE V.SUJATHA

WRIT PETITION NO: 11618, 11621 & 11632/2018

WRIT PETITION NO: 11618/2018

Between:

1. BOKKA VENKAT REDDY, S/O. LATE B. JAGGA REDDY, AGED ABOUT 44 YEARS, OCC BUSINESS, R/O. H. NO. 9-127, OPP. SAIRAM CINEMA HALL, SOUTH VENKATESHWARA NGAR, MALKAJGIRI, MEDCHAL-MALKAJGIRI DISTRICT-047.

...PETITIONER

AND

1. THE STATE OF ANDHRA PRADESH, REP. BY ITS PRINCIPAL SECRETARY, REVENUE (REGISTRATION-II) DEPARTMENT, SECRETARIAT, VIJAYAWADA.
2. THE REGISTRAR OF CHITS GOVERNMENT OF ANDHRA PRADESH, O/O. COMMISSIONER AND INSPECTOR GENERAL REGISTRATION AND STAMPS, VIJAYAWADA.
3. THE DEPUTY REGISTRAR OF CHITS/ARBITRATOR, NARASARAOPET, GUNTUR DISTRICT.
4. M/S VENKATA TIRUMALA CHIT FUND P LTD, NARASARAOPETA BRANCH, REP. BY ITS MANAGER/FOREMAN, AT ARUNDELPET, NARASARAOPET, GUNTUR DISTRICT.

5. A SUBBA REDDY DIED, MANAGING PARTNER, SANKAR AUTO STORES,

6. A SIVA MOHAN REDDY, S/O. SUBBA REDDY, GREEN LANDS FOOD PARADISE, SRI SWATHI ANUKAR COMPLEX, GROUND FLOOR, AMEERPET, HYDERABAD-16.

7. B NARSI REDDY, S/O.CHINNA VENKATA SUBBA REDDY, AGED MAJOR, R/O. H. NO. 4-5-29/53, GAYATRI NILYAMA, PATEL NAGAR, VIDYANAGAR, GUNTUR.

8. A PADMAVATHI, W/O. SIVA MOHAN REDDY, GREEN LANDS FOOD PARADISE, SRI SWATHI ANUKAR COMPLEX, GROUND FLOOR, AMEERPET, HYDERABAD-16.

9. A RANGAMMA, W/O. LATE SUBBA REDDY, AGED MAJOR, R/O. FLAT NO. 303, 3RD FLOOR RAMANNA TOWERS, PLOT NO. 201, FIRST LINE, RAMANNAPETA, GUNTUR.

10. A LAKSHMI TULSAI, D/O. LATE SUBBA REDDY, W/O. SURENDAR REDDY AGED MAJOR, R/O. PLOT NO. 78 AND 79, JAWAHAR RAIL COLONY, SICK ROAD, SECUNDERABAD.

11. A SUDHA RANI, W/O. B. SUGUNAKAR REDDY, AGED MAJOR, OCC DOCTOR. R/O. FLAT NO .202, 2ND FLOOR, JYOTHI SUPREME APARTMENTS, H. NO. 8-3-1044 AND 1044/1, PLOT NO. 87, SRINAGAR COLONY, SECUNDERABAD.

12. A SRINIVASA REDDY, S/O. LATE SUBBA REDDY, AGED MAJOR, R/O. 11 LILLY RD EDISON, NEW JERSEY - 08820 USA.

13. SYPUREDDY SRINIVASA KONDANDA RAMAN, S/O. LATE S. VENKATA RAO, AGE 49 YEARS, OCC BANK EMPLOYEE, R/O. H. NO. 30-272/5/2A/1, SANTHOSHIMA NAGAR, DAV PUBLIC SCHOOL, NEREDMENT, MALKAJGIRI, MEDCHAL-MALKAJGIRI DIST.

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to to issue an order or direction more particularly one in the nature of

Writ of Mandamus declaring the impugned award dated 21-03-2014 passed in Dispute No. 25/2013 passed by the 3rd respondent allegedly in the capacity of the arbitrator and issuing the recovery certificate on the same day for Rs.60,004/- and further action of 4th respondent in filing E.P. No. 97/2014 for execution of the award as against the Flat of the petitioner, as illegal, arbitrary and without jurisdiction and consequently declare the action of the 4th respondent in executing the said award as against the flat, which the petitioner purchased by way of registered sale deed, as the 2nd respondent has not appointed 3rd respondent as his nominee under Gazette Notification by duly following the provisions U/Sec. 66 (1) R/w Rule 48 of A.P. Chit Fund Rules, 2008 to pass such an impugned award, and pass

IA NO: 1 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased To stay all further proceedings in pursuant to the award dated 21-03-2014 passed in Dispute No. 25/2013 passed by the 3rd respondent including the consequential execution of the award as initiated by the 4th respondent in E.P. No. 97/2014 as against the flat of the petitioner, pending disposal of main Writ Petition.

IA NO: 2 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to vacate the interim olrders dated. 09.04.2018 passed in I.A.No. 01/2018 in W.P.No. 11618/2018 and pass

IA NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased may be pleased to grant leave to the petitioner herein/Respondent No 3 in the Writ Petition No. 11618 of 2018 to file counter affidavit in the above Writ Petition and pass

Counsel for the Petitioner:

1. SRICHARAN TELAPROLU

Counsel for the Respondent(S):

1. GP FOR REGISTRATION AND STAMPS (AP)
2. P DURGA PRASAD

WRIT PETITION NO: 11621/2018

Between:

1. BOKKA VENKAT REDDY, S/O. LATE B. JAGGA REDDY, AGED ABOUT 44 YEARS, OCC. BUSINESS, R/O. H. NO. 9-127, OPP.. SAIRAM CINEMA HALL, SOUTH VENKATESHWARA NGAR, MALKAJGIRI, MEDCHAL-MALKAJGIRI DISTRICT-047.

...PETITIONER

AND

1. THE STATE OF ANDHRA PRADESH, REP. BY ITS PRINCIPAL SECRETARY, REVENUE (REGISTRATION-I1) DEPARTMENT, SECRETARIAT, VIJAYAWADA.
2. THE REGISTRAR OF CHITS, GOVERNMENT OF ANDHRA PRADESH, O/O. COMMISSIONER AND INSPECTOR GENERAL REGISTRATION AND STAMPS, VIJAYAWADA.
3. THE DEPUTY REGISTRAR OF CHITS/ARBITRATOR, NARASARAOPET, GUNTUR DISTRICT.
4. M/S VENKATA TIRUMALA CHIT FUND P LTD, NARASARAOPETA BRANCH, REP. BY ITS MANAGER/FOREMAN, AT ARUNDELPET, NARASARAOPET, GUNTUR DISTRICT.
5. M/S SHANKAR AUTO AND HARD WARE, REP. BY A. SUBBA REDDY (DIED)
6. A SIVA MOHAN REDDY, S/O. SUBBA REDDY, GREEN LANDS FOOD PARADISE, SRI SWATHI ANUKAR COMPLEX, GROUND FLOOR, AMEERPET, HYDERABAD-16.

7. V SIVA PRASADA RAO, S/O. RANGA RAO, AGED. MAJOR, OCC. BUSINESS, RIO. H. NO. 14-138/1, VIDYA NAGAR, ELURU, WEST GODAVARI.

8. A PADMAVATHI, W/O. SIVA MOHAN REDDY, GREEN LANDS FOOD PARADISE, SRI SWATHI ANUKAR COMPLEX, GROUND FLOOR, AMEERPET, HYDERABAD-16.

9. A RANGAMMA, W/O. LATE SUBBA REDDY, AGED. MAJOR, RIO. FLAT NO. 303, R FLOOR RAMANNA TOWERS, PLOT NO. 201, FIRST LINE, RAMANNAPETA, GUNTUR.

10. A LAKSHMI TULSAI, D/O. LATE SUBBA REDDY, W/O. SURENDAR REDDY, AGED MAJOR, R/O. PLOT NO. 78 AND 79, JAWAHAR RAIL COLONY, SICK ROAD, SECUNDERABAD.

11. A SUDHA RANI, W/O. B. SUGUNAKAR REDDY, AGED . MAJOR, OCC. DOCTOR. R/O. FLAT NO .202, 2ND FLOOR, JYOTHI SUPREME APARTMENTS, H. NO. 8-3-1044 AND 1044/1, PLOT NO. 87, SRINAGAR COLONY, SECUNDERABAD.

12. A SRINIVASA REDDY, S/O. LATE SUBBA REDDY, AGED . MAJOR, RIO. 11 LILLY RD EDISON, NEW JERSEY -08820 USA.

13. SYPUREDDY SRINIVASA KONDANDA RAMAN, S/O. LATE S. VENKATA RAO, AGE. 49 YEARS, OCC. BANK EMPLOYEE, RIO. H. NO. 30-272/5/2A/1, SANTHOSHIMA NAGAR, DAV PUBLIC SCHOOL, NEREDMENT, MALKAJGIRI, MEDCHAL-MALKAJGIRI DIST.

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased toto issue an order or direction more particularly one in the nature of Writ of Mandamus declaring the impugned award dated 21-03-2014 passed in Dispute No. 27/2013 passed by the 3rd respondent allegedly in the capacity of the arbitrator and issuing the recovery certificate on the same day for Rs.60,004/- and further action of 4th respondent in filing E.P. No. 98/2014 for execution of the award as against the Flat of the petitioner, as illegal, arbitrary and without jurisdiction and consequently declare the action of the 4th

respondent in executing the said award as against the flat, which the petitioner purchased by way of registered sale deed, as the 2nd respondent has not appointed 3rd respondent as his nominee under Gazette Notification by duly following the provisions U/Sec. 66 (1) R/w Rule 48 of A.P. Chit Fund Rules, 2008 to pass such an impugned award, and pass

IA NO: 1 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to stay all further proceedings in pursuant to the award dated 21-03-2014 passed in Dispute No, 27/2013 passed by the 3rd respondent including the consequential execution of the award as initiated by the 4th respondent in E.P. No, 98/2014 as against the flat of the petitioner, pending disposal of main Writ Petition.

IA NO: 2 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to vacate the interim orders dated.10.04.2018 passed in I.A.No. 01 of 2018 in W.P.No. 11621/2018 and ppass

IA NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased may be pleased to grant leave to the petitioner herein/Respondent No 3 in the Writ Petition No. 11621 of 2018 to file counter affidavit in the above Writ Petition and pass

Counsel for the Petitioner:

1. SRICHARAN TELAPROLU

Counsel for the Respondent(S):

1. GP FOR REVENUE (AP)
2. GP FOR REGISTRATION AND STAMPS (AP)

3. P DURGA PRASAD

WRIT PETITION NO: 11632/2018

Between:

1. BOKKA VENKAT REDDY, S/O. LATE B. JAGGA REDDY, AGED ABOUT 44 YEARS, OCC. BUSINESS, R/O. H. NO. 9-127, OPP.. SAIRAM CINEMA HALL, SOUTH VENKATESHWARA NGAR, MALKAJGIRI, MEDCHAL-MALKAJGIRI DISTRICT-047.

...PETITIONER

AND

1. THE STATE OF ANDHRA PRADESH, REP. BY ITS PRINCIPAL SECRETARY, REVENUE (REGISTRATION-II) DEPARTMENT, SECRETARIAT, VIJAYAWADA.
2. THE REGISTRAR OF CHITS, GOVERNMENT OF ANDHRA PRADESH, O/O. COMMISSIONER AND INSPECTOR GENERAL REGISTRATION AND STAMPS, VIJAYAWADA.
3. THE DEPUTY REGISTRAR OF CHITS/ARBITRATOR, NARASARAOPET, GUNTUR DISTRICT.
4. M/S VENKATA TIRUMALA CHIT FUND P LTD, NARASARAOPETA BRANCH, REP. BY ITS MANAGER/FOREMAN, AT ARUNDELPET, NARASARAOPET, GUNTUR DISTRICT.
5. A SUBBA REDDY DIED, MANAGING PARTNER, SANKAR AUTO STORES.
6. A PADMAVATHI, W/O. SIVA MOHAN REDDY, GREEN LANDS FOOD PARADISE, SRI SWATHI ANUKAR COMPLEX, GROUND FLOOR, AMEERPET, HYDERABAD-16.
7. A SIVA MOHAN REDDY, S/O. SUBBA REDDY, GREEN LANDS FOOD PARADISE, SRI SWATHI ANUKAR COMPLEX, GROUND FLOOR, AMEERPET, HYDERABAD-16.

8. B NARSI REDDY, S/O.CHINNA VENKATA SUBBA REDDY, AGED. MAJOR, R/O. H. NO. 4-5-29/53, GAYATRI NILYAMA, PATEL NAGAR, VIDYANAGAR, GUNTUR.

9. A RANGAMMA, W/O. LATE SUBBA REDDY, AGED. MAJOR, R/O. FLAT NO. 303, 3RD FLOOR RAMANNA TOWERS, PLOT NO. 201, FIRST LINE, RAMANNAPETA, GUNTUR.

10. A LAKSHMI TULSAI, D/O. LATE SUBBA REDDY, W/O. SURENDAR REDDY, AGED MAJOR, R/O. PLOT NO. 78 AND 79, JAWAHAR RAIL COLONY, SICK ROAD, SECUNDERABAD.

11. A SUDHA RANI, W/O. B. SUGUNAKAR REDDY, AGED . MAJOR, OCC. DOCTOR, R/O. FLAT NO .202, 2ND FLOOR, JYOTHI SUPREME APARTMENTS, H. NO. 8-3-1044 AND 1044/1, PLOT NO. 87, SRINAGAR COLONY, SECUNDERABAD.

12. A SRINIVASA REDDY, S/O. LATE SUBBA REDDY, AGED . MAJOR, R/O. 11 LILLY RD EDISON, NEW JERSEY - 08820, USA.

13. SYPUREDDY SRINIVASA KONDANDA RAMAN, S/O. LATE S. VENKATA RAO, AGE. 49 YEARS, OCC. BANK EMPLOYEE, R/O. H. NO. 30-272/5/2A/1, SANTHOSHIMA NAGAR, DAV PUBLIC SCHOOL, NEREDMENT, MALKAJGIRI, MEDCHAL-MALKAJGIRI DIST. (RESPONDENTS 5 TO 13 ARE NOT NECESSARY PARTIES TO THIS WRIT PETITION)

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased toto issue an order or direction more particularly one in the nature of Writ of Mandamus declaring the impugned award dated 21-03-2014 passed in Dispute No. 26/2013 passed by the 3rd respondent allegedly in the capacity of the arbitrator and issuing the recovery certificate on the same day for Rs.60,004/- and further action of 4th respondent in filing E.P. No. 96/2014 for execution of the award as against the Flat of the petitioner, as illegal, arbitrary and without jurisdiction and consequently declare the action of the 4th respondent in executing the said award as against the flat, which the petitioner purchased by way of registered sale deed, as the 2nd respondent has not

appointed 3rd respondent as his nominee under Gazette Notification by duly following the provisions U/Sec. 66 (1) R/w Rule 48 of A.P. Chit Fund Rules, 2008 to pass

IA NO: 1 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to stay all further proceedings in pursuant to the award dated 21-03-2014 passed in Dispute No. 26/2013 passed by the 3rd respondent including the consequential execution of the award as initiated by the 4th respondent in E.P. No. 96/2014 as against the flat of the petitioner, pending disposal of main Writ Petition.

IA NO: 2 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to vacate the interim order dated. 09.04.2018 passed in I.A.No. 01/2018 in W.P.No.11632/2018 and pass

Counsel for the Petitioner:

1. SRICHARAN TELAPROLU

Counsel for the Respondent(S):

1. GP FOR REGISTRATION AND STAMPS (AP)
2. P DURGA PRASAD

The Court made the following:

COMMON ORDER:

All these writ petitions have been filed by the same petitioner and the issue involved in these writ petitions is identical. Hence, I feel it appropriate to decide the issue involved in these writ petitions by way of a common order by taking W.P.No.11618 of 2018 as leading case.

2. W.P.No.11618 of 2018 came to be filed under Article 226 of the Constitution of India, seeking the following prayer:

> "…to issue an order or direction more particularly one in the nature of Writ of Mandamus declaring the impugned award dated 21-03-2014 passed in Dispute No. 25/2013 passed by the 3rd respondent allegedly in the capacity of the arbitrator and issuing the recovery certificate on the same day for Rs.60,004/- and further action of 4th respondent in filing E.P. No. 97/2014 for execution of the award as against the Flat of the petitioner, as illegal, arbitrary and without jurisdiction and consequently declare the action of the 4th respondent in executing the said award as against the flat, which the petitioner purchased by way of registered sale deed, as the 2nd respondent has not appointed 3rd respondent as his nominee under Gazette Notification by duly following the provisions U/Sec. 66 (1) R/w Rule 48 of A.P. Chit Fund Rules, 2008 to pass such an impugned award, and pass…"

3. Brief facts of the case are that originally, the flat admeasuring 994.92 square yards, on the West-Northern corner of Kubera towers, situated on the third floor of Kubera towers, Arundelpet, Guntur with proportionate

undivided share of land admeasuring 30.69 square yards, belongs to one Subba Reddy – 4th respondent, who mortgaged the same in City Union Bank, Hyderabad in order to obtain loan. The 10th respondent – daughter of Subba Reddy, cleared the loan obtained by her father and subsequent to death of Subba Reddy, his legal heirs executed a registered release deed dated 26.10.2010 in favour of the 10th respondent; in the year 2013, the 10th respondent executed a registered gift deed dated 18.01.2013 in favour of her husband by name S. Surendar Reddy, who in turn sold the subject property in favour of vendor of the petitioner herein i.e., 13th respondent – Sypureddy Srinivasa Kondanda Raman, by way of a registered sale deed dated 12.02.2013.

4. While the subject property was in possession of the 13th respondent, the 4th respondent company raised a dispute bearing No.25 of 2013, before the 3rd respondent – The Deputy Registrar of Chits/Arbitrator, Narasaraopet, Guntur district, under Section 64 of the Chit Fund Act, 1982 for recovery of Rs.17,65,076/- along with interest and costs from respondent Nos.5 to 12 herein. The 3rd respondent, in exercise of his powers conferred under Section 69 of the Chit Fund Act, 1982, passed an award dated 21.03.2014 wherein, it was held that the 4th respondent is entitled to recover Rs.16,82,933/- from respondent Nos.5 to 12 herein. On the same day, the 3rd respondent, issued Recovery Certificate under Section 71(A) of the Chit Fund

Act, 1982. Subsequently, the 4th respondent filed E.P.No.97 of 2014 in dispute No.25 of 2013 on the file of the Court of the III Additional District and Sessions Judge, Guntur under Order XXI Rule 11 of the Code of Civil Procedure with a request to issue notice to respondent Nos.5 to 12 under Order XXI Rule 54 (1a) of CPC for attaching the subject flat and to issue another notice under Order XXI Rule 66 of CPC, to proclaim, publish and sell the subject flat in open Court auction and realize the amount payable to the 4th respondent. The attachment of the subject property was effected on 20.08.2014.

5. At that juncture, the 13th respondent, filed E.A.No.265 of 2015 in E.P.No.97 of 2014 before the III Additional District Judge, Guntur, under Order XXI Rule 58(1) and 3 of CPC, for raising the attachment over the subject property; pending the said application, the petitioner purchased the subject property from the 13th respondent under registered sale deed bearing document No.9417/2017, dated 29.11.2017 and thereafter, the application filed by the 13th respondent was dismissed vide order dated 11.12.2017. Aggrieved by the order passed by the 3rd respondent in the award dated 21.03.2014 in dispute No.25 of 2013, the petitioner filed the present writ petition on the following grounds:

1. "The impugned award dated 21.03.2014 passed by the 3rd respondent in Dispute No.25/2013 is illegal, arbitrary and without jurisdiction, as the 3rd respondent allegedly

exercised the powers of the Registrar of Chits without being validly appointed as a nominee in accordance with Section 66(1) of the A.P. Chit Funds Act, 1982, read with Rule 48 of the A.P. Chit Fund Rules, 2008.

2. The 2nd respondent, while delegating powers to subordinate officers i.e., the 3rd respondent, to adjudicate disputes under the Act, failed to comply with the mandatory requirements of Rule 48, particularly the requirement of appointment of the Registrar's nominee by a notification published in the Official Gazette.
3. The 3rd respondent acted contrary to the statutory scheme by issuing the recovery certificate under Section 71 of the Act simultaneously with the award dated 21.03.2014, without allowing the aggrieved party an effective opportunity to avail the statutory remedy of appeal under Section 70 of the Act, read with Rule 55 of the Rules.
4. The action of the 4th respondent in proceeding against the subject flat in execution of the impugned award is illegal and arbitrary, as the petitioner purchased the flat under a registered sale deed dated 29.11.2017, Document No.9417/2017, from the person claiming ownership thereof. The petitioner contends that the property, having been transferred to him, cannot be proceeded against in execution of the award without lawful authority.

6. When the writ petition came up for admission on 09.04.2018, this Court passed an interim order in I.A.No.1 of 2018 by staying all further

proceedings pursuant to the award dated 21.03.2014 passed by the 3rd respondent in dispute No.25 of 2013 and the consequential petition filed by the 4th respondent in E.P.No.97 of 2014 on the file of the Court of the III Additional District Judge, Guntur.

7. The 3rd respondent filed a counter affidavit denying the averments of the petitioner and contended that the petitioner has no interest either in the capacity of a party to the E.P., proceedings or any interest as against the E.P., property; as such, the petitioner cannot question the validity of the award passed by the 3rd respondent. The 4th respondent has also filed a detailed counter affidavit enclosed with a vacate stay petition, wherein it is stated that the 4th respondent – M/s. Venkata Tirumala Chit Fund Private Limited, is a company registered under Companies Act, 1956; that the 5th respondent, being the managing partner of Shankar Auto and Hardware Stores, joined the 4th respondent as a member of chit valued at Rs.30,00,000/-; the 5th respondent participated in the bid conducted on 26.09.2010 and succeeded in receiving the amount; for the said amount, respondent Nos.6 to 8 stood as guarantors. As the 5th respondent defaulted payment of chit installments, the 4th respondent filed dispute No.25 of 2013 before the 3rd respondent and obtained an award in its favour vide award dated 21.03.2014. Seeking execution of the said award, the 4th respondent

filed E.P.No.97 of 2014 in dispute No.25 of 2013 before the Court below seeking attachment of the subject flat.

8. It is further contended in the counter affidavit that subsequent to the death of the 5th respondent, respondent Nos.6 to 12, conspired to evade the debt due to the 4th respondent and executed a gift deed in favour of 10th respondent as if all of them have relinquished their share in her favour; thereafter, within days, the 10th respondent conveyed the subject flat in favour of her husband, as if she is the absolute owner of the flat. The relinquishment deed standing in the name of 10th respondent does not have legal sanctity and as such, the gift deed executed in favour of her husband also would not have any legal sanctity. Upon filing of E.P.No.97 of 2014, the 13th respondent filed claim petition before the Court below bearing E.A.No.265 of 2015 in E.P.No.97 of 2014, stating that he is a bonafide purchaser of the subject flat and that he purchased the same from the husband of the 10th respondent; the said application was dismissed by the Court below vide order dated 11.12.2017 declaring that the 13th respondent failed to establish that he is the bonafide purchaser of the subject flat. The said dismissal order was challenged by the petitioner before this Court by filing A.S.No.555 of 2018 and the same is pending adjudication.

9. It is further averred in the counter affidavit that pursuant to the notification issued by the Government of India, Ministry of Finance, dated

15.09.2008, the Government of Andhra Pradesh, vide G.O.Ms.No.1472, Revenue (Regn.II) department, dated 10.12.2008, appointed (i) the Commissioner and Inspector General of Registration and Stamps, Andhra Pradesh, Hyderabad as Registrar of Chits, (ii) the Additional Inspector General-I as Additional Registrar of Chits, (iii) the joint Inspector General-I and Deputy Inspector General as Joint Registrar of Chits of their respective zones (iv) Assistant Inspector General (Chits) and District Registrars of Registration district in the State of Andhra Pradesh as Deputy Registrars of Chits and (v) the Chit Registrars as Assistant Registrars of Chits, for the purpose of discharging duties imposed upon the Registrar under Act. It is further stated that the Government of Andhra Pradesh issued G.O.Ms.No.1474, (Regn.II) Department dated 10-12-2008, wherein the Government empowered Assistant Registrars of Chits in the State of Andhra Pradesh to accord sanction to commence or conduct the chit under the Chit Funds Act and pursuant to Government memo bearing No.73233/Regn.II/A1/95 dated 16.09.2008 and 26.09.2008, the Registrar of Chits, A.P. Hyderabad issued proceedings No.CF/27858/93 dated 24.12.2008, wherein it is mentioned that the Chit Funds Act, 1982 came in force in the State of Andhra Pradesh from 15-09-2008 and the Registrar of Chits exercising the powers conferred on him under Rule 64 of the A.P. Chit

Funds Rules, 2008, delegated the duties of the Registrar under various provisions of the Act to the following officers:

S.No.	Designation	Designation under the Chit Funds Act, 1982	Duties of the Registrar delegated under these sections
1	District Registrars of the Registration Districts	Deputy Registrar of Chits	26, 34, 41, 46, 48, 49, 50, 52, 53, 54, 55, 56, 58, 62, 64, 65, 66, 67, 68, 69, 71, 75, 81 and 82
2	Chit Registrars	Assistant Registrar of Chits	4, 7, 9, 10, 16, 18, 20, 24, 28, 29, 30, 31, 37, 38, 40, 41, 46, 62, 75, 81 and 82

As such, the award and recovery certificate issued by the 3rd respondent are valid and the contention of the petitioner that the 3rd respondent has no such power to issue the same is not tenable in the eye of law. Hence, requested to dismiss the writ petition by vacating the interim order granted by this Court.

10. Heard Sri. Sricharan Telaprolu, learned counsel for the petitioner, Sri. M. Durga Prasad, learned Standing Counsel for the 4th respondent and learned Assistant Government Pleader for Stamps and Registration.

11. During the course of hearing, learned counsel for the petitioner reiterated the facts as narrated in the writ affidavit; he further argued that the 3rd respondent has passed the award in dispute No.25 of 2013 and also issued recover certificate under Section 71(A) of the Chit Fund Act, 1982 on the same date i.e., 21.03.2014 and as such, the execution petition filed by the 4th respondent on the file of the Court of the III Additional District and Sessions Judge, Guntur is not maintainable. No opportunity was given to the 13th respondent before filing the execution petition before the Court below, though affording such an opportunity is contemplated under the Act and the Rules. He further contended that as per Section 71 of the Act, the decree holder has to obtain a certificate from the Registrar to refer the execution petition to the Civil Court as per the decision of the High Court in ***Punyamuthula Venkata Viswa Sundara Rao and another Vs. M/s. Margadarsi Chit Fund Private Limited***[1]. Further, as per Rule 55 of the A.P. Chit Funds Rules, 2008, the execution proceedings should be initiated by party concerned in accordance with provisions of Section 71 of the Chit Fund Act. The procedure for filing execution petition in the Civil Court is only

[1] 2017 (3) ALT 639

through the Registrar, who in turn forwards the application for execution to the proper authority along with a certificate issued by him under Section 71 of the Act. Section 71 of the Act provides that on a certificate issued, the award acquires the status of a decree of the Civil Court and if the award passed by the Registrar or his nominee is not carried out on a certificate issued by the Registrar, the award shall be deemed to be a decree of Civil Court and shall be executed in the same manner as a decree of the Civil Court. If the amount due under the award is not recovered or the order thereunder is not carried out, then only the award shall be forwarded to the Registrar with an application for execution, along with all information required by the Registrar, for issuance of certificate under Section 71 of the Act. Learned counsel further contended that under Section 71(A) of the Act, the 3rd respondent cannot issue any certificate and that it is for the 2nd respondent – Registrar of Chits alone to issue such certificate as per the procedure laid down under the Rules, which are to be strictly followed. Hence requested to set-aside the impugned award dated 21.03.2014 and all the consequential proceedings.

12. On the other hand, learned Standing Counsel for the 4th respondent denied the contentions raised by learned counsel for the petitioner. Learned counsel, relying on a decision of the Hon'ble Division Bench of this Court in ***Madamanchi Anil Kumar Vs. Margadarshi Chit***

Fund Pvt. Limited[2], contended that the decision relied on by learned counsel for the petitioner was distinguished, wherein it was held that the Deputy Registrar is also competent to discharge all the functions of a Registrar under the Act as per the definition under Section 2(o) of the Act, 1982 and also by virtue of G.O.Ms.No.1472,dated 10.12.2008. As such, the certificate issued by the 3rd respondent in the present case is in accordance with law. He further contended that there is no illegality in filing the execution petition by the 4th respondent before the Court below. Hence requested to dismiss the writ petition.

13. Perused the material available on record. Based on the facts and circumstances of the case, the points that would arise for consideration are:

1) "Whether the 3rd respondent was competent and duly authorised under the provisions of the Andhra Pradesh Chit Funds Act, 1982, and the Andhra Pradesh Chit Funds Rules, 2008, issue certificate under Section 71 of the Act, 1982 and if so, whether the award dated 21.03.2014 and the consequential recovery certificate issued on the same day under Section 71-A of the Act are sustainable?
2) Whether the 4th respondent has properly complied Rule 55 of the Rules, 2008 and Section 71 of the Act, 1982 to file the execution petition in E.P.No.97 of 2014

[2] CRP No.2338 of 2018, dated 05.11.2018

> on the file of the Court of the III Additional District and Sessions Judge, Guntur?

POINT NO:1

14. It is the case of the petitioner that the 3rd respondent herein is not competent enough, to issue recovery certificate under Section 71(A) of the Act and that only the 2nd respondent – Registrar is competent to issue a certificate. The petitioner relied on a judgment of this Court in ***Punyamuthula Venkata Viswa Sundara Rao and another Vs. M/s. Margadarsi Chit Fund Private Limited (supra)***. On the other hand, the 4th respondent, relying on a decision of ***Madamanchi Anil Kumar Vs. Margadarshi Chit Fund Pvt. Limited (supra),*** contend that even the 3rd respondent is also competent to issue certificate in view of delegation of powers by the Government.

15. At this juncture, it is apt to refer to Section 71 of the Act, which reads as under:

> **"71.Money how recovered.** -- Every order passed by the Registrar or the nominee under Section 68 or Section 69 and every order passed by the State Government in appeal under Section 70 for payment of any money shall, if not carried out, ---
> (a)On a certificate issued by the Registrar, be deemed to be a decree of a civil Court, and shall be executed in the same manner as a decree of such Court, or
> (b) be executed in accordance with the provisions of any law for the time being in force for recovery of amounts as arrears of land revenue.

> Provided that no application for execution under clause (b) shall be made after the expiry of three years from the date fixed in the order, and if no such date is fixed, from the date of order."

16. After going through the decisions of both Division Benches of this High Court relied upon by learned counsel on either side, this Court is of the opinion that the question in point No.1 is no more *res integra* as the Division Bench in the case of **Madamanchi Anil Kumar** (supra) has considered the issue and distinguished the decision in the earlier case in **Punyamuthula Venkata Viswa Sundara Rao** (supra) and specifically observed that the decision of the earlier Division Bench on that aspect is not ratio *decidendi* but *obiter dicta* and further noted that the relevant provisions like Sections 2(o) of the Act, 1982 and the concerned GOs have not been placed before the earlier Division Bench. The Division Bench in the subsequent case examined Section 2(o) of the Act which defines the word 'Registrar' to have included not only the Registrar but also Additional, Joint, Deputy or an Assistant Registrar appointed under Section 61 of the Act. Further, the Division Bench noted that G.O.Ms.No.1472 cited supra enabled District Registrars of the Registration Districts in the State of A.P., to perform the function of Deputy Registrars of Chits and the Chit Registrars as Assistant Registrars of Chits within the limits of their respective jurisdiction for the purpose of discharging the duties imposed upon the Registrar by or under the said Act as the case

may be and that in view of phrase used in Section 61(1) of the Act, 1982 that the duties imposed upon by the Registrar by or under the said Act, the duties enumerated in the Rules are those imposed under the Act. For the purpose of better understanding, the paragraphs 12 to 26 of the judgment in ***Madamanchi Anil Kumar Vs. Margadarshi Chit Fund Pvt. Limited (supra)*** which are relevant are extracted here below.

> 12. We have two difficulties in accepting the contention of the learned counsel for the petitioner. The first is that the ratio decidendi of any judgment is to be found from what it lays down and not from what follows out of it. We have seen the two points that arose for consideration in Punyamurthula Venkata Viswa Sundara Rao. Those two points formulated in paragraph 9 of the decision, do not cover and do not even extend to the conclusion that the Division Bench reached in paragraph 18. In fact, it was made clear in paragraph 18 that no argument was advanced in that regard. Therefore, what was laid down in paragraph 18 of the judgment of the Division Bench, cannot be taken as ratio decidendi of the said decision.
>
> 13. The second difficulty that we have is that certain statutory provisions and certain Government Orders were not placed before the Division Bench in Punyamurthula Venkata Viswa Sundara Rao. Section 2 (o) of the Chit Funds Act, 1982 defines the word “Registrar” to mean the Registrar of Chits appointed under Section 61. Section 2 (o) goes further to say that the word “Registrar” would also include an Additional, a Joint, a Deputy or an Assistant Registrar” appointed under Section 61. This definition was not noted by the Division Bench

in Punyamurthula Venkata Viswa Sundara Rao. Section 61 of the Act speaks about the appointment of the Registrar and other officers. Sub-section (1) of Section 61 reads as follows:

"The State Government may, by notification in the Official Gazette, appoint a Registrar of Chits and as many Additional, Joint, Deputy and Assistant Registrars as may be necessary for the purpose of discharging the duties imposed upon the Registrar by or under this Act. "

14. Section 61 (1) has two limbs. Under the first limb, the State Government is empowered to appoint a Registrar of Chits by a notification in the Official Gazette. By the second limb, the State Government is empowered to appoint as many Additional, Joint, Deputy and Assistant Registrars, for the purpose of discharging the duties imposed upon the Registrar by or under the Act. Therefore, it is clear that there was power of delegation available for the State Government to appoint Additional, Joint, Deputy and Assistant Registrars for the purpose of discharging the duties imposed upon the Registrar by or under the Act.

15. Section 66 of the Act speaks about the settlement of disputes. Under sub-section (1) of Section 66, the Registrar is entitled to settle any dispute either by himself or refer the dispute for disposal to a person appointed by him. The person to whom the Registrar refers the dispute for disposal is called as "the nominee". Sub-section (1) of Section 66 reads as follows:

"If the Registrar is satisfied that any matter referred to him or brought to his notice is a dispute within the meaning of section 64, he shall, subject to such rules as may be prescribed, settle the dispute himself, or refer it for disposal to a person appointed by him

(hereinafter in this Chapter referred to as the nominee.)"

16. Where the petitioner has actually fallen into a trap is to mix up the power of delegation available under Section 61 (1) with the power of nomination available under Section 66 (1). The power of delegation under Section 61 (1) is available only with the Government, whereas the power of nomination merely to decide a dispute, is with the Registrar under Section 66 (1). Secondly, the delegation under Section 61 (1) is only upon Additional, Joint, Deputy or Assistant Registrars. But a nomination under Section 66 (1) could be upon any person. Thirdly, the delegation under Section 61 (1) is of all the duties imposed upon the Registrar. On the contrary, the nomination under Section 66 (1) is only for settling a dispute. Fourthly, the delegation under Section 61 (1) can be ordered only by a notification issued in the Official Gazette. But the nomination under Section 66 (1) cannot be and need not be by publication in the Official Gazette.

17. Unfortunately, the Division Bench in paragraph 18 of the report in Punyamurthula Venkata Viswa Sundara Rao has mistaken the power of nomination available to the Registrar under Section 66 (1) to be a power of delegation. The meaning to be assigned to the word "Registrar" appearing in Rule 55 (3), was not considered by the Division Bench in Punyamurthula Venkata Viswa Sundara Rao.

18. Rule 55 (3) of the Rules reads as follows:

"(3) On receipt of such application for execution, the Registrar shall forward the same to the proper authority for execution along with a certificate issued by him under section 71 of the said Act and a proclamation issued under rule 54 in the manner prescribed therein."

19. The Chit Fund Rules, 2008 do not define the word “Registrar”. The definition part of the Rules contains only five words and expressions. After defining five words and expressions in Rule 2, it is stated in Rule 2 itself that the words and expressions not defined in the Rules shall have the same meaning as assigned to them in the Act. Therefore, the word “Registrar” appearing in Rule 55 (3) has to be interpreted in the same manner as is defined in Section 2 (o) of the Chit Funds Act, 1982. If this is done, it will be clear that any Additional, Joint, Deputy or Assistant Registrar to whom a delegation has been made under Section 61 (1) will be entitled under Rule 55 (3) to issue a certificate of recovery. If the Government, by a notification in the official Gazette, issued under section 61(1), can appoint a Deputy Registrar or Assistant Registrar to perform all the duties of the post of Registrar, he becomes empowered automatically to issue a certificate of recovery under rule 55 also. The expression used in section 61 (1) is “all the duties”.

20.Unfortunately,---(i) the distinction between delegation under Section 61 (1) and nomination under Section 66 (1); (ii) the definition of the expression “Registrar” under Section 2 (o); (iii) the interpretation to be given to the word “Registrar” in Rule 55 (3) read with the definition clause in Rule 2 of the Rules; and (iv) the availability of the Gazette notifications containing delegation of powers, were all not placed before the Division Bench, which decided Punyamurthula Venkata Viswa Sundara Rao. Hence, the decision in Punyamurthula Venkata Viswa Sundara Rao cannot be taken to be an authoritative pronouncement on the question as to who is competent to issue a certificate of recovery.

21. Section 71 of the Act deals with the procedure for recovery of money. It reads as follows:

"71. Money how recovered.—Every order passed by the Registrar or the nominee under section 68 or section 69 and every order passed by the State Government in appeal under section 70 for payment of any money shall, if not carried out, — (a) on a certificate issued by the Registrar, be deemed to be a decree of a civil court, and shall be executed in the same manner as a decree of such court, or

(b) be executed in accordance with the provisions of any law for the time being in force for the recovery of amounts as arrears of land revenue:

Provided that no application for execution under clause (b) shall be made after the expiry of three years from the date fixed in the order, and if no such date is fixed, from the date of the order."

22. Clause (a) of Section 71 speaks about a certificate issued by the Registrar. The word "Registrar" appearing in Section 71 (a) has also to be given the same meaning as found in Section 2 (o). Therefore, we hold that if any Additional, Joint, Deputy or Assistant Registrar has been appointed by the State Government, by a notification in the official gazette, to perform all the duties dischargeable by the Registrar under the Act, then such a delegate will be competent to issue a certificate of recovery. It is not correct to say that the Registrar of Chits alone is competent to issue a certificate of recovery.

23. Once the law on the issue is settled, the dispute on hand can be resolved by looking into the availability of any order issued by the Government under Section 61 (1). The learned counsel for the 1st respondent produced the copies of two Gazette Notifications, one from the State of Andhra Pradesh and another from the State of Telangana. G.O.Ms.No.1472, Revenue (Regn.II), dated 10-12-2008 issued by the State of Andhra Pradesh in

exercise of the powers conferred by Section 61 (1) of the Chit Funds Act, 1982 reads as follows:

"In exercise of the powers conferred by sub-section (1) of Section 61 of the Chit Funds Act, 1982 (Central Act 40 of 1982) the Governor of Andhra Pradesh hereby appoints the Commissioner and Inspector General of Registration and Stamps, A.P., Hyderabad as Registrar of Chits, the Additional Inspector General-I, Office of the Commissioner and Inspector General of Registration and Stamps, A.P., Hyderabad as Additional Registrar of Chits, the Joint Inspector General-I, Office of the Commissioner and Inspector General of Registration and Stamps, and the Deputy Inspector General of their respective zones as Joint Registrars of Chits, the Assistant Inspector General (Chits) Office of the Commissioner and Inspector General of Registration and Stamps and the District Registrars of Registration Districts in the State of Andhra Pradesh as Deputy Registrars of Chits and the Chit Registrars as Assistant Registrars of Chits within the limits of their respective jurisdiction for the purpose of discharging the duties imposed upon the Registrar by or under the said Act as the case may be."

24. In so far as the State of Telangana is concerned, the Government issued G.O.Ms.No.260 Revenue (Registration-I), dated 11-10-2016, appointing several officers as officers empowered to discharge the duties imposed upon the Registrar by or under the Act. This Government Order was published in the Government Official Gazette extraordinary bearing No.379-D published on 11-10-2016.

25. It must be noted that Section 61 (1) carefully uses the phrase "the duties imposed upon the Registrar by or under the said Act". The duties enumerated in the Act are those imposed by the Act. The duties enumerated in the Rules are those

> imposed under the Act. Therefore, Rule 55 (3) has to be read only in this manner and not in any other manner.
>
> 26. Thus, it is clear that the only contention raised by the petitioner based upon the judgment of this Court in Punyamurthula Venkata Viswa Sundara Rao is bound to fail. Accordingly, it fails, and the Civil Revision Petition is dismissed. There shall be no order as to costs.

17. Therefore, the Additional, Joint, Deputy or Assistant Registrar appointed by the State Government, by a Notification in the Official Gazette, are competent to perform all the duties dischargeable by the Registrar under the Act and that any one of such delegates is competent to issue such certificate of recovery. Hence, the contention of the petitioner that the 3rd respondent is not competent to issue the certificate needs no countenance being devoid of merit.

POINT No:2

18. Learned counsel for the petitioner also contended that award in dispute No.25 of 2013 and as well as the recovery certificate under Section 71(A) of the act, were passed on the very same day i.e., 21.03.2014 and the order or award shall be communicated to the person liable to carry out the same and then only, on failure to pay the amount, a certificate ought to be issued by the authority and only then such decree shall be deemed as a decree of a civil Court. In this regard, it would be appropriate to refer to Rule 55 of the A.P. Chit Funds Rules, 2008, which read as under:

'**55. Procedure for execution of awards: -**

(1) Every order or award passed by the Registrar, or his nominee under Section 68 or 69 of the said Act, 1982, shall be forwarded by the Registrar to the foreman or to the party concerned with instructions that the foreman or, as the case may be, the party concerned should initiate execution proceedings forthwith according to the provisions of Section 71 of the said Act.

(2) If the amount due under the award is not forthwith recovered, or the order thereunder is not carried out, it shall be forwarded to the Registrar with an application for execution along with all information required by the Registrar, for the issue of certificate under Section 71 of the said Act. The applicant shall state whether he desires to get it execute the award through a civil Court or through the revenue authorities as provided under Section 71 of the said Act.

(3) On receipt of such application for execution, the Registrar shall forward the same to the proper authority for execution along with a certificate issued by him under Section 71 of the said Act and a proclamation issued under Rule 54 in the manner prescribed therein.

(4) Every order passed in appeal under Section 70 of the said Act shall also be executed in the manner laid down in sub-rules (2) and (3).'

19. As per this provision, the award or order shall be forwarded to the foreman of the Chit Fund Company to initiate execution proceedings forthwith according to Section 71 of the Act and that in the event, the amount due under the Award is not forthwith recovered and the order thereunder is not carried out under sub Rule (2) of Rule 55, the award or order shall be forwarded to

the Registrar with an application for execution along with all information for issuance of certificate under Section 61 of the said Act. In the application, the applicant shall state whether he desires to execute the award through a civil Court or through the revenue authorities as provided under Section 71 of the Act. On receipt of the application, the Registrar shall forward the same to proper authorities for execution along with a certificate issued under Section 71 of the Act and proclamation issued under Rule 54 of the Rules in the manner prescribed thereunder. As per the said Section, if the order or award passed is not carried out, on a certificate issued by the Registry, every such order/Award be deemed to be a decree of Civil Court and shall be executed in the same manner as a decree of such Court.

20. A conjoint reading and harmonious consideration of the provisions of law referred to supra would indicate that the 4th respondent is competent to initiate execution proceedings forthwith according to the provision of Section 71 of the Act. As per Section 71, as already noted, when the Registrar issues a recovery certificate based on an order/award passed, such certificate shall be deemed to be a decree of Civil Court and shall be executed in the same manner as a decree of such Court. In the present case, a perusal of the certificate dated 21.03.2014 issued under Section 71 of the Act by the 3rd respondent indicates that 4th respondent has applied for transfer of the award to the Civil Court for execution and the same has been forwarded

to the said Court. The copy of the petition filed in the writ affidavit bearing E.P.No.97 of 2014 in dispute No.25 of 2013 discloses in column No.8 that the award was transferred from the Chit Registrar, Narasaraopet, as per the orders dated 01.04.2014. Thus, it is clear that the 4th respondent has duly followed the procedure contemplated under Rule 55 of the Rules, 2008 and Section 71 of the Act, 1982. Therefore, contention of the petitioners is untenable and the writ petition is liable to be dismissed.

21. In view of the detailed discussion in W.P.No.11618 of 2018, W.P.Nos.11621 and 11632 of 2018 are also liable to be dismissed.

22. In the result, these writ petitions are dismissed. There shall be no order as to costs.

Consequently, Miscellaneous Petitions, if any, pending in these Petitions shall stand closed.

JUSTICE V.SUJATHA

Date:16.10.2026
Gss

Whether the order is :
Speaking Yes
Reportable No