



W.P.No.9404 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.07.2023

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THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Writ Petition No.9404 of 2023

Sekar

.. Petitioner

Vs.

1. The District Collector
District Collector's Office,
Fort Main Road,
Salem.

2. The District Revenue Officer/Competent Authority,
District Collector's Office,
Fort Main Road,
Salem.

3. Deputy Superintendent of Police,
EOW – II,
Salem District.

4. Sivakumar

.. Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India,
praying for issuance of a Writ of Mandamus to direct the 1st respondents



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herein to issue a Government Order appointing the 2nd respondent as Competent Authority under Tamil Nadu Protection of Interests to depositors (In Financial Establishment) Act 1997 to identify the properties of the 4th respondent and take inventory and fix the value of the properties and to do all the work mentioned under Tamil Nadu Protection of Interest of Depositors Act in connection with C.C.No.06 of 2019 on the file of the Special Court for TNPID Cases, Coimbatore and complete the same within the stipulated time prescribed by this Hon'ble Court pursuant to the representation dated 04.12.2022.

For Petitioner : Mr.T.Muruganantham
For Respondents 1 to 3 : Mr.A.Damodaran
Additional Public Prosecutor

ORDER

This writ petition has been filed by one of the aggrieved depositor for a direction to the 1st respondent to issue appropriate orders and appoint the 2nd respondent as the competent authority under the Tamil Nadu Protection of Interests of Depositors Act, 1997 (hereinafter called as the “TANPIC Act”) to identify the properties of the 4th respondent and take



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inventory and fix the value of the properties in connection with CC No.6 of 2019 pending on the file of the Special Court for TNPID cases, Coimbatore.

2. Heard Mr.T.Muruganantham, learned counsel for the petitioner and Mr.A.Damodaran, learned Additional Public Prosecutor for respondents.

3. It is seen from records that the 4th respondent had established finance companies and had collected deposits from nearly 1686 persons to the tune of nearly 75 Crores. The 4th respondent did not repay back the principal and the interest. Based on the complaint given by the depositors, a case was registered in Crime No.15 of 2017 for various offences under IPC and Section 5 of the TANPID Act. The case was later transferred to the file of the 3rd respondent. The 3rd respondent took up the investigation and a final report came to be filed before the Special Court for TANPID Cases, Coimbatore and it was taken on file in CC No.6 of 2019.

4. The grievance of the petitioner is that the 4th respondent who was arrested and remanded to judicial custody, gave an undertaking



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affidavit before the Special Court stating that he will settle the amount payable to the depositors within a period of two months. Based on the same, the 4th respondent was released on bail. According to the petitioner, the 4th respondent did not take any steps to settle the amount to the depositors.

5. It is also seen that the 4th respondent filed CrI.OP No.24388 of 2018 before this Court praying for the appointment of a committee / administrator and this Court passed an order in this petition on 18.12.2018 by appointing a committee and issued several directions.

6. The Chairman of the Committee viz., Mr.M.Thangarajan, District Judge, died on 10.05.2020. Thereafter, there has been absolutely no progress. In view of the same, there is neither progress in the case that is pending before the Special Court for TANPID cases nor is there progress in the recovery of the amount by attaching the properties to repay back the depositors. In view of the same, the present writ petition has been filed seeking for appropriate directions.

7. In the considered view of this Court, the FIR came to be



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registered in the year 2017 and by taking advantage of the bail granted in favour of the 4th respondent and also the direction issued by this Court in Crl OP No.24388 of 2018, no progress has taken place and the depositors have been left high and dry. This situation cannot continue any further. The 4th respondent who gave an undertaking that he will settle the entire amount has gone back on the undertaking and hence, the respondent shall take immediate steps to file an application seeking for cancellation of bail.

8. No useful purpose will be served in appointing any committee / Administrator since the 4th respondent is only trying to take advantage of the same and as a result, no progress is made either in the Court proceedings or in the recovery of the amount by attaching the properties. Therefore, this Court is inclined to direct the 1st respondent to pass appropriate orders appointing the 2nd respondent as the competent authority under the TANPID Act and the 2nd respondent shall identify the properties and proceed further in accordance with the Act /Rules. This process shall be completed by the 1st respondent within a period of two weeks from the date of receipt of a copy of this order. That apart, there shall also be a direction to the Court below to proceed further with the case in CC No.6 of 2019 on a day today basis and



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the proceedings shall be completed within a period of one year from the date of receipt of a copy of this order.

9 In the result, this writ petition is allowed with the above directions.

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Index : Yes/No

Speaking order: Yes/No

Neutral citation: Yes/No

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To

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N.ANAND VENKATESH, J

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