



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-10-2025

CORAM

THE HONOURABLE MRS.JUSTICE R. KALAIMATHI

CMP.No.21251 of 2025
in
CMA.SR.No.128414 of 2025

Shri R. Shanmuga Sundaram

Petitioner/Appellant

Vs

1. The Competent Authority and
District Revenue Officer,
Chennai Collectorate,
Chennai 600 001.
2. M/s.Max Pro Marketers Pvt. Ltd.,
No.1, Kumaran Colony, 100 Ft.Road,
Vadapalani, Chennai-26
(CIN No -U74900TN2008PTC069941/ 2008-2009
Registered dated 21.11.2008
later shifted to Choolaimedu and then
Mannivakkam near Tambaram.
3. M/s. Max Pro Entertainers Pvt. Ltd.,
No.1, Kumaran Colony, 100 ft Road,
Vadapalani, Chennai-26.
4. M/s.Max Pro Commodities India Pvt. Ltd.,
No.1, Kumaran Colony, 100 ft. Road,
Vadapalani, Chennai-26.
5. M/s. Max Pro Assets India Private Ltd.,
No.1, Kumaran Colony, 100 ft. Road,
Vadapalani, Chennai-26.
6. Tr. Suseendran



7. Tr. G.Senthil Kumar

8. A. Abbas

9. Tr.V.Kathiresan

10.Tr.T.K. Balakrishnan

11.Shri Lawrance Stanley

12.Tr.Devarasu

13.Tr.U.Ansar Ahamed

14.Tmt.G.Senthamarai

15.Tr.Ravi Chandiran

16.Tr.Vijayaravu

.... Respondents/Respondents

PRAYER in CMP.No.21251 of 2025: To condone the delay of 231 days in filing the above CMA.SR.No.128414 of 2025.

Prayer in CMA.SR.No.128414 of 2025: Civil Miscellaneous Appeal against the order and decreetal order dated 21.09.2024 passed in OA.No.2 of 2019 on the file of the Special Court under Tamil Nadu Protection of Interest of Depositors (In Financial Establishments) Act, 1997 TANPID Act, Chennai.

For Petitioner : Mr. N. Srinivasan
For Respondent(s): Mr.P.Gurunathan for R1

ORDER

The petitioner herein-Shanmuga Sundaram, who is arrayed as 5th respondent in O.A.No.2 of 2019 on the file of Special Court under TNPID Act, Chennai has preferred this Civil Miscellaneous Petition for condoning the delay of 231 days in filing the CMA.SR.128414 of 2025.

2. Heard the learned counsel for the petitioner and the learned counsel



for the respondent No.1- the Competent Authority and District Revenue Officer,
Chennai.

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3. The learned counsel for the petitioner submitted that the petitioner sought to prefer Civil Miscellaneous Appeal against the order passed in O.A.No.2 of 2019, dated 21.09.2024 by the Special Court under Tamil Nadu protection of Interest of Depositors (In Financial Establishments) Act, 1997 TANPID Act, Chennai, in and by which, the Special Judge, has made the ad-interim attachment made by the Government as absolute and in consequence thereof, a direction was issued to the Competent Authority/District Revenue Officer, Chennai to sell the attached properties belonging to R1 to R4 therein in public auction.

4. He would further submit that though he engaged a counsel to contest the OA, the petitioner was set exparte and thereafter since all his efforts to contact his earlier counsel went in vain, he engaged the present counsel to prefer the appeal against the order passed in OA. The present counsel is able to obtain certified copies of the order made in OA only on 06.08.2025 and in the course of which, there occurred a delay of 231 days in preferring the appeal. Hence the delay in filing the above Appeal is neither wilful, nor wanton, but due to the above said reason. Thus he prayed for condoning the delay of 231 days in filing the Civil Miscellaneous Appeal.

5. Heard the learned counsel for the petitioner and the learned counsel



appearing for the 1st respondent and perused the materials available on record.

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6. O.A.No.2 of 2019 was filed by the Competent Authority/District Revenue Officer, Chennai against 16 respondents/accused under section 4(3), 4(4) and 7(6) of TNPID Act seeking to make the ad-interim order of attachment issued by the Government vide its GO.Ms.304 Home Police (XIX) department on 02.05.2014 absolute and also for issuance of sale orders under section 7(6) of TNPID Act in respect of the schedule of properties referred in the above said GO.

7. It is seen that a complaint was lodged by the number of depositors against R2 to R16 before the Economic Offence Wing - II, Chennai, stating that the Financial establishment running in the name and style of M/s. Max Pro Marketters Pvt. Ltd., No.61/81, Krishna Colony, 100 Feet Road, Vadapalani, Chennai-26 was started to function in the year 2008. The Directors of the above said company have also started other Financial Establishments such as M/s.Max Pro Entertainers Pvt. Limited, M/s. Max Pro Commodities Pvt. Limited and M/s.Max Pro Assets India Private Limited Schemes. Various schemes were introduced by the above said companies. The accused promised to give bonus after 45 days @ 20% per month for the next six months and also the deposited amount will be given after the lock in period of sixth month of making deposit. The accused canvassed three schemes namely viz., Future 1 and III for the Customers of Tamil Nadu and



Future Care II for the customers of other states. Believing the words of the accused, the public deposited their amount in the above said Financial Establishment for fixed period. When they demanded their amount after maturity, the Financial Establishment did not repay the deposit money. The Government after careful consideration, in order to safe guard the interest of the depositors, in respect of the properties belonging to accused company which was specified in the schedule referred in the GO, issued an order of ad-interim attachment, as the properties were procured by the Financial Establishment from and out of the deposited money collected from the depositors. The said GO Ms.304 Home Police (XIX) Department dated 02.05.2014 was issued on 02.05.2014.

8.The Competent Authority after receipt of the said GO enquired the customers and came to understand that the accused collected huge amounts from the public in and around Chennai and other States. They have purchased properties at Villupuram, Virudhachalam, Tindivanam, Cuddalore, Coimbatore from the funds collected from the depositors and registered the properties listed in Sl.No.1 to 8 in GO Ms.304 Home Police (XIX) Department and on receipt of complaint from one Mr.Duraisamy, Namakkal District, a case in Economic Offence Wing in Cr.No.20 of 2012 under section 406, 420, r/w.120-B of IPC and under section 5 of the TNPID Act was registered against the accused.

9.During the course of investigation, the properties worth about Rs.25



crores were identified and proposals were sent to Government for passing ad interim attachment order. Accordingly, the Government issued the above said Government Order. The total defaulted deposit amount of the Financial Establishment is roughly about Rs.17,03,96,320/- from 1188 depositors.

10. The Competent Authority sent proposal for the attachment of the properties belonging to the said company to the Government. The Government passed order by issuance of the above said Government Order making ad-interim attachment of properties. The case is pending trial before the Special Court under Tamil Nadu Protection of Interest of Depositors (In Financial Establishments) Act, 1997 TANPID Act, Chennai. Therefore, the properties of the accused which were ad-interimly attached by the Government in the above said GO as shown in the schedule are to be protected from the accused/defaulted Financial Establishment by grant of absolute attachment order and order for sale of the immovable and movable properties by public auction and for realisation of the sale proceeds under section 4(3) and 4(4) and 7(6) of TNPID Act.

11. It is seen that the present appellant Shanmuga Sundaram has been arrayed as 5th accused. The appellant/accused No.5-Shanmuga Sundaram is one of the Directors of the company. On behalf of the respondents/accused 1 to 5, it was stated that they are interested to settle the issue and having regard to the same, they have made various proposals before the Investigation Officer and the Competent Authority on various occasions.



12. It is also seen that before the Competent Authority/District Revenue Officer, all the accused were examined and their statements were marked. Ex.P.12 is the statement of R.Shanmuga Sundaram, Accused No.5/appellant herein.

13. It is relevant to note that Accused No.5-Shanmuga Sundaram, Accused No.7-G. Senthil Kumar, Accused No.12-P.Devaradu, Accused No.8-Abbas, Accused No.9-V. Kadiresan, Accused No.10-T.K. Balakrishnan and Accused No.11-Lawrance Stanely who are the owners of the schedule mentioned properties have stated that they have no objection at all to sell the properties interrimly attached in GO Ms.304 Home Police (XIX) Department dated 02.05.2014 and their statements were also marked by the Competent Authority/District Revenue Officer as Ex.P.12 to Ex.P.16.

14. The accused are liable to return the defaulted money with interest to the depositors. As the accused are not coming forward to repay the amounts collected from the public, the schedule mentioned properties belonging to them have to be sold in public auction and has to be disbursed to the depositors.

15. In consideration of the above said details, as the above said accused have no objection to pass orders of attachment, the Special Court under Tamil Nadu Protection of Interest of Depositors (In Financial Establishments) Act, 1997 TANPID Act, Chennai has passed the order in



O.A.No.2of 2019 on 21.09.2024 and the operative portion of which is extracted hereunder:

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“In the result, the petition is allowed. The Ad-interim attachment made by the Government in G.O.Ms.No.304 Home (Police XIX) Department, Dt.02.05.2014 is made absolute. The Competent Authority/District Revenue Officer, Chennai is directed to sell the attached properties in public auction and to realise the sale proceeds as per Sec.7(6) and Sec.7(8) of TNPID Act and equitable distribution among the depositors of R1 to R4 companies.”

16. It is pellucid that the above said Financial Companies/ respondents 2 to 5 and its Directors viz., respondents 5 to 16/accused persons have collected huge amounts from the public by way of deposit by flouting various attractive schemes and collected a sum of Rs. 17,03,96,320/- from 1188 depositors and as the accused have failed to return the deposited amounts received from the public and upon receipt of complaints from the affected persons, a case was registered against the accused by the Economic Office Wing II, Chennai and upon a very detailed enquiry, the Government has passed ad-interim attachment on the properties of the accused.

17. As mentioned supra, the accused having no objection to sell the schedule mentioned properties and such statement regarding the above said fact of the petitioner/appellant/accused No.5 is being recorded as Ex.P.12, and in due compliance of provisions of TNPID Act, the orders has been



passed by the Court below making absolute the *ad interim* attachment of the properties.

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18. In the given circumstances, in the interest of 1188 depositors, the reasons assigned by the petitioner/A-5 cannot be taken as a sufficient cause to condone the delay in filing CMA. The petitioner, having suffered an order of ad interim attachment of the properties by the Government and the same was also made absolute by the Special Court of TANPID, the petitioner herein should have been more diligent in filing the appeal in time, but he has filed the same with a huge delay of 231 days stating that he is not able to contact his previous counsel and files the appeal by engaging a new counsel, which shows that the petitioner/appellant is not diligent in filing the appeal in time. Hence, the explanation offered by the petitioner herein to condone the inordinate delay is not convincing and acceptable.

19. In view of the above, this court, finding the reason given by the petitioner for condoning the delay being not acceptable and reasonable and also considering the interest of 1188 depositors, who lost their money at the hands of the respondents/accused, to be protected, this Court is inclined to dismiss this petition. Accordingly, this Civil Miscellaneous Petition seeking to condone the delay of 231 days in filing the appeal stands dismissed. In consequence thereof, the Civil Miscellaneous Appeal is rejected at the SR stage itself.



22-10-2025

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Index:Yes/No

Internet:Yes

To

1.
1. The Competent Authority and
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2. The Special Court under Tamil Nadu Protection
of Interest of Depositors (In Financial Establishments)
Act, 1997 TANPID Act, Chennai.



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R.KALAIMATHI J.

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