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A.No.4484 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.11.2025

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THE HONOURABLE **MR.JUSTICE P.DHANABAL**

A.No.4484 of 2025

in

C.S.No.99 of 2025

The Competent Authority,
The Tamil Nadu Protection of
Interest of Depositors in financial
Establishment Act and
District Revenue Officer,
Collectorate, Singaravelar Maligai,
Chennai – 600 001.

...Petitioner

Vs

S.S.Thuraisingam

...Respondent

Prayer: This application has been filed to reject the plaint in C.S.No.99 of 2025 filed by the respondent / plaintiff.

For Petitioner : Mr.D.Gopal, Government Advocate

For Respondent : Mr.R.Loganathan

ORDER

This Application has been filed to reject the plaint in C.S.No.99 of 2025 filed by the respondent / plaintiff.

2. According to the applicant he is the defendant in the suit and the



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plaintiff has filed a suit in C.S.No.99 of 2025 as against the defendant for recovery of money. The respondent being the proprietor of M/s. Bharathi Gems and Jewels, Chennai floated advertisements by giving attractive rates of interest and gifts. Believing the said offers, the depositors have deposited their money in the said company. Since the deposited amount has not been returned, the depositors have filed a complaint against the proprietor in Cr.No.1024 of 1996 was registered and the same was pending in C.C.No.14 of 1998 on the file of TNPID Court. The respondent has filed a discharge petition before the TNPID Court and the same was dismissed. Thereafter, the respondent filed C.M.A.No.1632 of 2001 before this Court, in respect of the attachment and this Court had directed the Competent Authority cum District Revenue Officer, Chennai to issue sale Certificate to Elite Builders and Constructions who was the highest bidder in the auction conducted by this Court. The auction was conducted to the tune of Rs.12,65,25,000/- which was deposited and disbursed to the parties as per the order of this Court, after circulating wide publication in the newspapers.

2.1. Subsequent to 3722 depositors, again 400 depositors came



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forward seeking repayment of their deposits to the tune of Rs.3,02,19,826/-.

However, this Court, directed the Investigation officer to issue paper publication inviting claims against the appellants, for which 180 claims to the tune of Rs.78,18,550/- were filed. This Court in C.M.A.Nos.1323 & 1324 of 2010 ordered to pay the plaintiff a sum of Rs.55,04,081/- out of the total claim of Rs.1,47,22,631/-. It is the contention of the applicant that though the said order has been complied with, however, without approaching this Court, the respondent / plaintiff had filed a suit as against the applicant / defendant and the same is barred by law. This Court vide order dated 17.12.2019, was pleased to order compounding of the offence and acquitted the accused under Section 5(A) of the Tamil Nadu Protection of Interests of Depositors (in Financial Establishments) Act, 1997 (in short TNPID Act) and once the compounding is effected under Section 5(A) of the TNPID Act, the proper course for the plaintiff is to move an application before the Special Court under Section 7(3) of the TNPID Act, seeking to raise the attachment and for return of properties. However, without resorting to such remedy, filing the plaint is barred by law and the plaint is liable to be rejected.



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2.2. Further the plaintiff neither challenged nor sought review of the order dated 17.12.2019. Having attained finality, the plaintiff is now barred from re-agitating the very same issue in a fresh suit. Therefore, on this ground as well, the present plaint is liable to be rejected under Section 11 of the Code of Civil Procedure, 1908, as being hit by the principles of *res judicata*. Therefore, it is contended by the applicant that the suit is not maintainable and the same is liable to be rejected.

3. The respondent / plaintiff filed a counter stating that he has filed a suit for recovery of money and notice under Section 80 of C.P.C. has already been issued on 05.07.2024, in turn no reply has been given by the applicant. After serving notice, a suit has been filed and there was cause of action for the suit and there were pleadings to that effect. The applicant / defendant has not filed any written statement. However, without filing any written statement had erroneously filed this application which is *per se* unsustainable. The applicant has not mentioned any spirit in seeking rejection of plaint. Therefore, the suit is maintainable and the above



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application is liable to be dismissed.

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4. This Court gave its careful consideration to the submissions advanced by the learned counsel appearing on either side and perused the materials available on record.

5. It is seen that the plaintiff had filed a suit for recovery of money and for costs on payment of requisite court fee. The plaintiff has also set out the causes of action in the plaint. Aggrieved by the filing of the plaint, the defendant has filed the present application seeking rejection of the plaint on the ground that the suit is barred by law and only as per the order of this Court, the applicant / defendant has kept the money in the deposit. Therefore, the plaintiff / respondent ought to have approached this Court either for clarification or for claiming the amount in question.

6. It is the admitted fact that, this Court had already directed the applicant / defendant to deposit the money and the same is lying in the deposit. After being acquitted in the criminal case, the plaintiff has a right



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file a suit for recovery of money. So far, no depositors approached the applicant / defendant for claiming the money and the said money was deposited from the sale proceeds of the respondent / plaintiff's properties. Therefore, the entitlement of the plaintiff has to be decided only through trial. The applicant / defendant is the only custodian of money for temporary period and though this Court directed the applicant / defendant to keep the money in the deposit, it is a custodian of money which has to disburse the money as directed by this Court. As far as the *res judicata* is concerned it is a matter of trial as long as the sale price of properties of the plaintiff is lying with the applicant / defendant, the respondent / plaintiff has the right to claim that money and the genuinity of the claim by the respondent / plaintiff can be tested only through trial and not at this stage through the present application.

7. Therefore, this application has no merits and the same is dismissed accordingly.

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