WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06-03-2026

CORAM

THE HON'BLE MRS.JUSTICE T.V.THAMILSELVI

CMA No. 1924 of 2022
AND
CMP NO. 14232 OF 2022

Thangam
D/o M.Kannappan,
Door No.42, Xavier Colony,
Melapalayam,
Tirunelveli

..Appellant(s)

Vs

1. Deputy Superintendent of Police
   Economic Offences Wing-II
   Coimbatore

2. Fine Future @Fine Futuress @FineFuturess
   @FineFuturess @Fine Wayss @Bestwayss
   @Bestwaay @Aaimmsure
   way2success Gudwayss Gooddaaim

   Head Office
   No.3, Duraisamy Layout, Peelamedu,
   Coimbatore.
   Corporate Office
   10/33, PLS Nagar, Phase II,
   R.G.Pudur, Coimbatore,
   Represented by its Partner
   A.S.Senthil Kumar R3

3. A.S.Senthil Kumar
   S/o Subramaniam,
   No.3, Duraisamy Layout, Peelamedu,
   Coimbatore

https://www.mhc.tn.gov.in/judis

WEB COPY

4. M.Vivek
   S/o Mohan,
   Door No.37, Sree Varagamoorthy Avenue,
   Kumudham Nagar, NRI Garden
   Coimbatore

5. Nithyanandan
   S/o Mohan,
   Door No.37, Sree Varagamoorthy Avenue,
   Kumudham Nagar, NRI Garden,
   Coimbatore

6. R.Sathiyalakshmi
   D/o B.Rajagopalan,
   Site No.54, Annamalai Nagar,
   Thoppampatti Post, Coimbatore 17

7. S.Palanisamy
   S/o Subbaiah Gowder,
   Door No.2/362 Kannakkupillai Thottam,
   Venganaickenpalayam, Madhampalayam Post,
   Sathy Taluk, Erode District

8. A.Vellingiri
   S/o Arumuga Gounder,
   Door No.67A, Pasuvapalayam,
   Pudupeerkadavu Village,
   Sathiyamangalam Taluk, Erode

9. N.Thiruvarutselvi
   W/o P.Nanjudomoorthy,
   Door No.33-1, Thiru V.Ka Street,
   Punjaipuliyampatti Post,
   Sathy Taluk, Erode District

10. P.Nanjudomoorthy
    S/o Ponnusamy,
    Door No.33-1, Thiru V.Ka Street,
    Punjaipuliyampatti Post,
    Sathy Taluk, Erode District

https://www.mhc.tn.gov.in/judis

WEB COPY

11. M.Loganathan
    S/o Mariappan,
    Door No.2/55, Marampalayam Village,
    Karapadi Post, Punjaipuliyampatti Via,
    Sathiyamangalam Taluk,
    Erode District

12. Aruvathi
    W/o subbaiah Gounder,
    No.364, Muthu Nagar, Madhampalayam,
    Punjaipuliyampatti Village,
    Sathiyamangalam Taluk,
    Erode District

13. K.Thileeban
    S/o Kesavan,
    Door No.10A, Ramanathapuram,
    Kayamozhi Post, Tiruchendure Taluk,
    Thoothukudi District

14. Velusamy
    S/o Palanisamy,
    D.No.1/23D, Palladam Road,
    East Street, Pappampatti Village,
    Sulur Taluk, Coimbatore.

..Respondent(s)

PRAYER

Civil Miscellaneous Appeal filed under Section 11 of the Tamil Nadu Protection of Interests of Depositors (in Financial Establishments) Act, praying to set aside the fair and decretal order passed by the learned Special Judge, Special Court under TNPID Act, Coimbatore in OA.No. 2 of 2019 dated 12.05.2022.

For Appellant(s): Mr.A.Mohamed Ismail

For Respondent(s): Mr.R.Venkatesa Perumal
Government Advocate For R1
Mr. R. Abdul Mubeen
For R7 To R14

https://www.mhc.tn.gov.in/judis

WEB COPY

Judgment

Challenging the order passed by the Special Judge, Special Court under TNPID Act, Coimbatore in O.A.No.2 of 2019, the 13th respondent preferred this Civil Miscellaneous Appeal.

2. Before the trial court, the 1st respondent police filed an application in O.A.No. 2 of 2019 under Sec.7(6) and (8) of TNPID Act praying to pass an order of attachment of immovable properties and directing the competent authority to sell the property stating that against the 2nd respondent/defaulting firm, complaints were received from the depositors. Based on that, the F.I.R. in Crime No.19 of 2012 was registered and the final report has also been filed in C.C.No.15 of 2013 and arrayed the accused, who had collected and defaulted the amount more than Rs.189 crores. During the course of investigation, the properties mentioned in the schedule were found to be purchased by utilising the depositors money by the 6th respondent along with other accused 7 to 11. The defaulted firm represented by other respondents 2 to 6 colluded with the family members of accused 7 to 11 purchased the property, which was initially registered in the name of accused 7 to 11, thereafter, the 6th respondent transferred those properties in his name and his family members, but on 28.11.2012, the 6th respondent with malafide intention executed five sale deeds

https://www.mhc.tn.gov.in/judis

WEB COPY

over the properties in favour of 13th respondent with the malafide intention for a meagre amount, who in turn executed a release deed in favour of 14th respondent Velusamy, thereby transfer made by 6th respondent with collective intention is malafide one. In order to protect the interest of depositors, he prayed to attach immovable properties as described in the schedule.

3. The said application was contested by 6th respondent stating that this respondent took effective steps to settle the amount to the depositors when other depositors were not inclined. The 13th respondent also contended that he purchased the property for a valid consideration through the agent Palanisamy, A21. Therefore, the properties is not assumed as binami transaction for supporting the 6th respondent as alleged by the prosecution. He claimed that as a bonafide purchaser, he purchased five items through five sale deeds, but, on verifying the guideline value, she purchased with valid consideration and she also disclosed the value in her income tax return and after the purchase, she is cultivating the lands and the item No. 5 was leased out to third party (14th respondent). Therefore, she purchased the property in good faith. Hence, she raised objections for attachment.

4. On hearing both side submissions, by relying the ratio laid down in the authorities reported in (1) ***V.Kalpana vs. The State of Tamil Nadu (2011) (4) L.W. 882),*** (2) ***N.Kanagasabai and another vs. State of Tamil Nadu (2013***

https://www.mhc.tn.gov.in/judis

WEB COPY

(1) C.T.C. 753 and (3) ***A.Hafeezur Rahman vs. Deputy Superintendent of Police, Economic Offences Wing-II, Vellore-9 (C.M.A.No. 96 of 2012, dated 24.03.2021),*** the learned trial judge has held that the 12th respondent said to be power agent of respondents 7 to 11, who are all family members have sold the property to this petitioner on 10.09.2013. The date of power of attorney and the subsequent purchase made by this petitioner disclosed that it was not genuine transaction. It was the contention on the side of 6th respondent that in the year 2012, the properties were purchased by not utilising the deposits from the defaulting firm, but considering submission of the investigating officer, the trial judge has found that only with the intention to defeat the interest of depositors, all those transactions were arose and all those properties were purchased. When the defaulting firm started to commit default to the depositors, the vendor of 6th respondent is one of the key person, who cheated innocent depositors along with other respondents and the properties were also purchased and transferred in order to defraud the depositors. Hence, the objections of the respondents was not considered and the court has ordered to attach the property. Now, challenging the said findings, the present Civil Miscellaneous Appeal has been filed by 13th respondent.

5. The learned counsel for appellant would submit that she purchased the property for the valid consideration and during the course of investigation, the respondent police has informed her that if she deposits a sum of Rs.35,00,000/-,

https://www.mhc.tn.gov.in/judis

WEB COPY

her property will be out of investigation. Believing that, an amount of Rs.35,00,000/- was deposited through demand draft in crime No. 19 of 2012 and the same also been admitted by the investigating officer, but the trial judge failed to take note of the same. He would also submit that the investigating officer also not disclosed the said fact during the enquiry. That apart, she is the bonafide purchaser and she was not aware of the proceedings initiated against the defaulting firm. Hence, she prayed to set aside the findings of the court below.

6. By way of reply, the learned counsel for 1st respondent would submit that during the course of investigation, the 6th respondent with the malafide intention executed a power of attorney in favour of 12th respondent along with respondents 7 to 11 and their family members have sold the property in favour of this petitioner on 10.09.2013, who in turn leased out the property to 14th respondent. So, all those transactions were not genuine and in order to defraud the claim of depositors, the fraudulent transfer was made knowingfully well about the criminal proceedings initiated and the same was rightly observed by the trial judge, which requires no interference. Hence, he prayed to dismiss this Civil Miscellaneous Appeal.

7. Considering both side submissions, the fact reveals that before the trial court, the first respondent filed an application to attach and sell the property,

https://www.mhc.tn.gov.in/judis

WEB COPY

which was secured by them during the course of investigation. However, some of the respondents/accused raised objections, but the trial judge on considering both side submissions, finally held that the properties were liable to be attached.

8. Furthermore, on perusal of records, the fact reveals that the F.I.R. in crime No.19 of 2012 was lodged against the defaulting firm and its members. During that period, the 6th respondent, who is active member of the defaulting firm executed a power of attorney in favour of 12th respondent in respect of properties, which were purchased out of criminal proceedings in his name and his family members and based on the power of attorney, the property was sold to 13th respondent in the year 2013 after lodging of the F.I.R., Therefore, the properties were transferred after the criminal proceedings initiated. As per the final report of the prosecution, nearly about Rs.180 crores were defaulted to 23,857 depositors and investigation is also been continues in Crime No. 19 of 2012. In such circumstances, the purchase made by 13th respondent also with under value and not paid valid sale consideration. It also reveals that those properties were purchased by 6th respondent by utilising the fund collected from the public. Therefore, in order to avoid the clutches of proceedings, the 6th respondent colluded with other respondents with malafide intention executed a power of attorney and transferred the property in the name of 13th respondent, which was rightly observed by the trial judge and it requires no interference. Accordingly, this Civil Miscellaneous Appeal is dismissed as no merit and the

https://www.mhc.tn.gov.in/judis

WEB COPY

findings rendered by the learned Special Judge, Special Court under TNPID Act, Coimbatore in OA.No. 2 of 2019 is confirmed. No costs. Consequently, the connected civil miscellaneous petition is closed.

06-03-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

RPP

To

1. The Special Judge, Special Court under TNPID Act, Coimbatore.

2. The Section Officer, VR Section, Madras High Court.

https://www.mhc.tn.gov.in/judis

WEB COPY

T.V.THAMILSELVI J.

RPP

CMA No. 1924 of 2022
AND
CMP NO. 14232 OF 2022

06-03-2026

https://www.mhc.tn.gov.in/judis