

IN THE COURT OF APPEAL OF NEW ZEALAND

I TE KŌTI PĪRA O AOTEAROA

**CA363/2025
[2026] NZCA 14**

BETWEEN DHARMENDRA VERAPPAN
 Applicant

AND TURNER HOPKINS SOLICITORS
 Respondent

Counsel: Applicant in person
 M J Robinson and L P Santana De Mattos for Respondent

Judgment: 9 February 2026 at 11.30 am
(On the papers)

**JUDGMENT OF WHATA J
(Review of Deputy Registrar’s Decision)**

The application for review of the Deputy Registrar’s decision is declined.

REASONS

[1] Mr Verappan has applied for a waiver of security for costs. This was declined by the Deputy Registrar. He has requested a review of this decision.

Background

[2] Mr Verappan was adjudicated bankrupt on 8 May 2025. This bankruptcy arises out of a failure to pay the fees charged by Turner Hopkins for legal services provided

to Mr Verappan in late 2019. He now wants to appeal his bankruptcy. The grounds for the appeal can be found across multiple documents. His “Case on Appeal” records:

This appeal contests the High Court’s refusal to provide a transcript of the 12 November 2024 bankruptcy hearing, a decision that fundamentally undermined the appellant’s right to a fair appeal and due process. The judgment under challenge failed to uphold statutory obligations, breached principles of natural justice, and disregarded professional and ethical standards required of legal practitioners in New Zealand.

[3] His associated grounds are:

- (a) breach of the statutory right to access court documents, referring to the Senior Courts (Access to Court Documents) Rules 2017, r 9;
- (b) breach of natural justice and breach of the principle of open justice by refusing access to the transcript and by disregarding substantive matters during the hearing; and
- (c) breach of the obligations of a lawyer by the judgment creditor, Turner Hopkins.

[4] In his Notice of Appeal dated 10 June 2025, Mr Verappan seeks to appeal the bankruptcy adjudication order made by Associate Judge Sussock on 8 May 2025, which relied on Gardiner J’s provisional judgment of 27 November 2024.¹ He claims the Court:

- (a) misapplied judicial discretion under s 37 of the Insolvency Act 2006;
- (b) relied on “flawed regulatory determinations” by the New Zealand Law Society (NZLS);
- (c) failed to address procedural unfairness; and
- (d) ignored evidence of retaliatory litigation tactics by the respondent.

¹ *Re Verappan* HC Auckland CIV-2024-404-1206, 8 May 2025 (Minute of Associate Judge Sussock); and *Turner Hopkins Solicitors v Verappan* [2024] NZHC 3566.

[5] The grounds of appeal are listed as:

- (a) miscarriage of justice — retaliatory use of bankruptcy process;
- (b) reliance on biased NZLS determinations;
- (c) procedural unfairness; and
- (d) error exercising discretion under s 37 of the Insolvency Act.

[6] In an affidavit dated 10 June 2025, Mr Verappan expanded on the grounds of appeal as follows:

- (a) The Court failed to address procedural unfairness in a NZLS complaints process, including failure by the NZLS to investigate his complaint thoroughly; evidence of unprofessional conduct; and failure to provide a transparent decision.
- (b) Turner Hopkins has engaged in misleading conduct, including withholding critical information; submitting inaccurate financial statements; and engaging in coercive tactics.
- (c) There has been judicial overreach in the bankruptcy proceedings, including by ignoring evidence of Turner Hopkins's retaliatory motives following Mr Verappan's complaint to NZLS; by relying on a Disputes Tribunal jurisdiction ruling without addressing its conflict with NZLS oversight; and by failing to consider his documented inability to pay the debt due to miscalculated income/expenses.

The waiver application and decision

[7] Mr Verappan seeks a waiver of security for costs because, in short, he contends his finances “never rise above subsistence”. In support of this contention, Mr Verappan filed financial information he says shows that as at 19 June 2025, his bank accounts had a total balance of \$854.86 with regularly fluctuating balances that

never rise above subsistence. He also says that his sole income is from a Work and Income (WINZ) benefit and that he has no other assets. The Deputy Registrar was not satisfied with the information provided by Mr Verappan and sought recent bank statements from the omitted ANZ Online account and explanations for the large deposits into and withdrawals from the ANZ Go account. Mr Verappan did not respond to this request by the requested deadline of 1 September 2025.

[8] On 8 September, the Deputy Registrar declined to waive security for costs but reduced the security to \$1,000 instead of \$7,060. There were three key components to the decision. First, the Deputy Registrar was not satisfied that they had the complete picture of his financial position and therefore could not be satisfied he was impecunious. Second, the Deputy Registrar did not consider that his appeal raised any issue of public importance. Third, the prospects of success were very low given especially that the decision made was an exercise of a discretion.

The application for review

[9] On 10 September 2025, Mr Verappan filed his application for review. In that application he identified the following facts:

- (a) His sole income is a WINZ benefit, his current account balances are regularly less than \$200 and never exceeding \$1,200 at month end, and he has no other assets.
- (b) He has exhausted all other avenues for assistance.
- (c) He faces ongoing hardship and impossibility of payment.
- (d) He has made no legal aid application on principle as to do so would conflict with the core matters on appeal.

[10] He also claims his appeal is not frivolous, noting that it concerns:

- (a) the proper administration and discretionary exercise of judicial power under the Insolvency Act 2006, s 36;

- (b) denial of a fair hearing (New Zealand Bill of Rights Act 1990, s 27) due to asserted procedural irregularities in both the Disputes Tribunal and High Court;
- (c) whether it was correct for the High Court to refrain from addressing the lawfulness of the NZLS Standards Committee's actions; and
- (d) the proportionality and timeliness of the bankruptcy proceedings.

Threshold

[11] The Supreme Court in *Reekie v Attorney-General* set out the relevant threshold requirements for dispensing with security for costs, namely:²

[35] ... the discretion to dispense with security should be exercised so as to:

- (a) preserve access to the Court of Appeal by an impecunious appellant in the case of an appeal which a solvent appellant would reasonably wish to prosecute; and
- (b) prevent the use of impecuniosity to secure the advantage of being able to prosecute an appeal which would not be sensibly pursued by a solvent litigant.

A reasonable and solvent litigant would not proceed with an appeal which is hopeless. Nor would a reasonable and solvent litigant proceed with an appeal where the benefits (economic or otherwise) to be obtained are outweighed by the costs (economic and otherwise) of the exercise (including the potential liability to contribute to the respondent's costs if unsuccessful). As should be apparent from what we have just said, analysis of costs and benefits should not be confined to those which can be measured in money.

[12] The Court also observed that litigants in person may be more prepared to engage in litigation which, when considering the costs that others must incur, is disproportionate to the occasion and which therefore would not be prosecuted by a solvent litigant. In such circumstances the Registrar or the reviewing judge may conclude that requiring the respondent to defend the judgment without the protection of security is unjust.³

² *Reekie v Attorney-General* [2014] NZSC 63, [2014] 1 NZLR 737.

³ At [40].

[13] The Court also stated:

[41] As we have made clear, cost and benefit are not to be assessed in purely financial terms. An appeal may raise issues of public interest which are not measurable in economic terms. As well, considerations which are personal to an appellant (for instance, considerations affecting reputation) may legitimately fall to be considered as part of the cost/benefit assessment. Proceedings relating to the vindication of rights under the New Zealand Bill of Rights Act 1990 may have both personal and public non-financial benefits. In the end, what is called for is an exercise of judgment.

Analysis

[14] It appears to me, based on the available financial information, that Mr Verappan is mainly living hand to mouth and has very little discretionary spending available to him. While disputable, I am prepared to proceed on the basis that Mr Verappan is impecunious. But, nonetheless, I consider his appeal to be hopeless. Mr Verappan is effectively seeking to challenge a judgment debt that has been owing and unpaid for nearly two years. Whether the High Court goes behind such a debt in bankruptcy is a matter of discretion. I have no reason to doubt the correctness of the approach taken by Gardiner J. As she aptly noted:⁴

[32] It is clear to me that Mr Verappan remains aggrieved about the service he received from the solicitor at Turner Hopkins. It is also clear that he is dissatisfied with the NZLS process and outcome.

[33] The difficulty for Mr Verappan is that the Court will not investigate the underlying judgment when considering an application for adjudication. It will not embark upon an exercise akin to a rehearing of the matter which gave rise to the underlying judgment or engage in a process akin to an appeal.

[34] Mr Verappan had the opportunity to apply for a review of the NZLS decision or to appeal the NZLS decision. The notice of decision advised him that he could apply for a review of the decision to the Legal Complaints Review Officer within 30 working days. Mr Verappan did not apply for a review. He says that he did not do so because he was advised that it would be a waste of time.

[35] If a debtor persuades the Court that there is a sound reason to doubt the validity of the underlying judgment, the Court *may* respond by allowing time for reconsideration of the judgment elsewhere, or by exercising its discretion not to make an adjudication order.

[36] But Mr Verappan has not persuaded me that there is a sound reason to doubt the validity of the judgment or the NZLS decision; or that he has any

⁴ *Turner Hopkins Solicitors v Verappan*, above n 1 (footnotes omitted, emphasis in original).

intention of taking steps to have the decisions reviewed, if that is even possible given the time that has elapsed.

[15] And further:⁵

[40] At the hearing, I asked Mr Verappan whether he has not paid any of the judgment debt because he does not accept that he is required to do so or because he does not have the means to pay. Mr Verappan said that he does not consider he should be required to pay the judgment debt because Turner Hopkins did not render the services to which it relates.

[41] Mr Verappan must understand that the decision of the NZLS and the judgment of the Disputes Tribunal are final. The NZLS concluded that the fees were reasonable. The Disputes Tribunal entered judgment based on that decision. Mr Verappan is obliged to pay the judgment debt.

[42] It is interesting that Turner Hopkins did not take any steps to recover the unpaid fees from Mr Verappan until after he made his complaint. Turner Hopkins issued a statement in March 2020. Mr Verappan made his complaint in October 2021. There is no evidence that Turner Hopkins pursued Mr Verappan for the debt over the intervening 19 months. The Standards Committee issued its decision on 14 October 2022 and Turner Hopkins filed proceedings on 6 March 2023.

[43] Mr Verappan submits that this shows that the plaintiff is acting vindictively. The Court will not let the bankruptcy process be used oppressively. However, Turner Hopkins is entitled to seek to recover fees that it is owed for services it rendered to Mr Verappan.

[44] It is relevant that Mr Verappan has not paid *any* of the outstanding fees since the invoices were rendered in December 2019. He has not paid any amount after the NZLS decision in October 2022, or the order of the Disputes Tribunal in April 2024. He has not paid any amount since the orders of the Registrar of the District Court on 9 July 2024. Turner Hopkins has been out of pocket for the fees for five years now.

[16] And finally:

[46] Weighing these considerations, I consider that Mr Verappan should be provided with a final opportunity to pay the judgment debt. He is to pay the judgment debt of \$18,352.24. Mr Verappan will also need to resolve the matter of Turner Hopkins' costs. If he does not pay these costs or reach an agreement with Turner Hopkins about these costs, the Court is likely to order that he pay the costs even if he has paid the judgment debt.

⁵ Emphasis in original.

[17] On that basis, if Mr Verappan wishes to pursue his appeal, then he should pay security in the sum of \$1,000 as directed by the Deputy Registrar.

Solicitors:
Turner Hopkins, Auckland for Respondent