



Crl.M.P.No.1769 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03.06.2026

CORAM:

THE HON'BLE MR. JUSTICE C.SARAVANAN

Crl.M.P.No.1769 of 2026
in Crl.A.No.117 of 2026

1.M/s.Express Car Wash India Private Limited,
No.121, SIDCO Industrial Estate,
Ambattur, Chennai, (Financial Establishment)
Rep by its Director V.Ashokan

2.V.Ashokan

3.L.Sujatha @ Kanmani

... Petitioners/Appellants
/Accused 1 to 3

Vs.

The State represented by,
The Inspector of Police,
Economic Offences Wing – II, Chennai.

... Respondent/Respondent
/Complainant

PRAYER: Criminal Miscellaneous Petition is filed under Section 430(1) of the Bharatiya Nagarik Suraksha Sanhita, to suspend the sentence of imprisonment and fine imposed on the petitioners/appellants in the judgment dated 19.12.2025 in C.C.No.05 of 2026 by the learned Special Judge under the Tamil Nadu Protection of Interests of Depositors (in financial establishment) Act, 1997 at Chennai and order release of the petitioners 2 and 3/Accused 2 and 3 on Bail.

For Petitioners : Mr.R.Balachanderan

For Respondent : Mrs.Sharada Vivek
Government Advocate (Criminal Side)



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ORDER

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This Criminal Miscellaneous Petition has been filed for suspending the sentence awarded on the Petitioners/Appellants herein by the learned Special Judge under the Tamil Nadu Protection of Interests of Depositors (in financial establishment) Act, 1997 at Chennai [hereinafter referred to as the Trial Court].

2. The conviction and sentence imposed against the petitioners/appellants, vide impugned judgment are that

Sl. No.	Rank of the accused	Sections	Imprisonment	Fine amount	Total
1	1 st Petitioner / 1 st Appellant – A1	Section 5 of TNPID Act	---	1,00,000 x 68	68,00,000/-*
2	2 nd Petitioner / 2 nd Appellant - A2	Section 5 of TNPID Act	5 Years	1,00,000 x 68	68,00,000/-
3	3 rd Petitioner / 3 rd Appellant - A3	Section 5 of TNPID Act	5 Years	1,00,000 x 68	68,00,000/-
Total					2,04,00,000/-

[Note: *To be paid by the 2nd Petitioner / 2nd Appellant - A2]

3. The above fine amount of Rs.2,04,00,000/- was ordered to be disbursed to 68 depositors together with interest on pro rata basis as compensation under Section 357 of Cr.P.C after the expiry of appeal period.



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The period of detention any already undergone by A2 and A3 was ordered to be set off under Section 428 of Cr.P.C.

4. The Petitioner/Appellant's herein are the company, its Director and the Vice President. They had issued an advertisement on 30.08.2015 and invited offers from the interested persons for leasing their vehicles to the 1st Petitioner/ 1st Appellant – A1 for a period of five years.

5. It appears that about 68 persons responded from whom the amounts were collected in various proportions purportedly for being paid towards the advance to the Automobile dealers for purchase of the vehicles which were to be registered in the name of these 68 person who had paid the amount to the 1st Petitioner / 1st Appellant – A1 pursuant to the above advertisement.

6. It appears that the Petitioners/Appellants had also made arrangements for these persons to obtain loan from the designated bank identified by the Petitioners/Appellants.

7. It is the case of the Petitioners/Appellants that some of the persons failed to obtain loan and therefore the advance paid by them was



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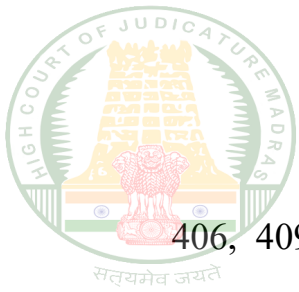
adjusted in terms of the receipt issued by the Petitioners/Appellants to these persons.

8. It is the case of the Petitioners/Appellants/Accused that advance amounts collected were directly paid to the dealers on behalf of the 68 persons towards booking advance of the vehicles. Thus, the loans were to be in the individual name.

9. According to the learned counsel for the Petitioners/Appellants, the 1st Petitioner/1st Appellant's company was obliged to pay a monthly rent of Rs.30,000/- to each of the 68 persons who had advance the amounts to be paid as initial cash down for purchase of the vehicle and the aforesaid amount.

10. It appears that such amounts were received in the name of the 1st Petitioner's/1st Appellant's company between 27.10.2015 and 03.04.2016 from 68 such persons who approached the 1st Petitioner/1st Appellant.

11. The complaint that was filed before the Special Court under TNPID Act Cases, Chennai in EOW Cr.No.07/2017 under Sections 420,



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406, 409, 120(b) of IPC and Section 5 of TNPID Act, 1997 states as

follows:-

“When more number of depositors have joined, they closed the company by saying allegations against the Bank, their own Company staff and even the depositors and absconded.”

12. The learned counsel for the Petitioners/Appellants would submit that the Petitioners/Appellants are willing to deposit 50% of the fine amount and have filed an affidavit of the 2nd Petitioner/ 2nd Appellant – A2 to that effect dated 11.03.2026.

13. The learned counsel for the Petitioners/Appellants would submit that the transactions with the 68 persons from whom the amounts were received and directly paid to the dealers of the vehicle does not attract the sting under Section 5 of TNPID Act, 1997, as the amounts that were paid were neither “deposits” within the meaning of Section 2(2) of the said Act nor the 1st Petitioner / 1st Appellant – A1 was a financial establishment within the meaning of the aforesaid section.

14. It is submitted that the allegations in the complaint that the vehicles were not deployed for the purpose as also been proved to be incorrect during the course of cross examination of P.W.5 on 14.12.2022,



wherein, P.W.5 has stated as under:-

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ஏற்கனவே இவ்வாறு வண்டி வாங்கி முதல் எதிரி நிறுவனம் மேற்படி தொழிலை செய்து வந்தார்கள் என்றால் சரிதான். அந்த வாடிக்கையாளர்களிடம் நான் இதுகுறித்து விசாரிக்கவில்லை. வங்கி கடன் கொடுக்க வேண்டுமென்றால் அதற்கான தகுதியை வங்கிக்கு நிரூபிக்க வேண்டும். ஆனால் அவ்வாறு எந்தவித ஆவணமும் நான் கொடுக்கவில்லை.

15. It appears that about 68 complaints were received which had impelled the Respondent to file the above complaint before the Special Court under the TNPID Act Cases and had pursuant to the investigation caused, the 2nd Petitioner / 2nd appellant -A2 as also the 3rd Petitioner / 3rd appellant – A3 were arrested on 30.06.2017 and were subsequently released on bail on 26.10.2017 and 03.11.2017 respectively.

16. After the Trial Court had rendered its judgment on 19.12.2025 and sentenced the Petitioners/Appellants herein under the provisions of TNPID Act, 1997, the 2nd Petitioner/2nd appellant – A2 and 3rd Petitioner/3rd appellant – A3 have been incarcerated. However, there are no records produced by the Petitioners/Appellants to show that they have carried on the business after the received advance by filing necessary Balance Sheet and Profit and Loss account to establish their *bonafide*.



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17. *Prima facie* indications are that amount collected were deposits within the meaning of Section 2(2) of the Act, but disguised as the amount to be paid to the dealers as vehicle advance by subjecting the depositors to obtain loan independently in their name for the vehicles for the proposed lease.

18. The matter would require a detailed consideration as the correctness of the findings given by the Trial Court, the punishment and sentence awarded on the respective Petitioners/Appellants.

19. Considering the facts and circumstances of the case and also the submissions made by the learned counsel on either side, I am of the view that the sentence of imprisonment can be suspended and the Petitioners/Appellants can be granted bail on conditions. Accordingly, pending disposal of the appeal, the sentence is suspended and the Petitioners/Appellants are to be enlarged on bail, subject to the following conditions:-

“(i) The Petitioners/Appellants shall deposit the amount collected together with interest at 9% from the date of deposit or fine amount of Rs.2,04,00,000/- (as directed by the Trial Court) whichever is higher **to the credit of the above Criminal Appeal pending before**



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this Court within a period of 45 days from today which shall be disbursed to 68 depositors who invested in the business model of the Petitioners/Appellants.

(ii) The Petitioners/Appellants and the sureties shall affix their photographs and Left Thumb Impressions in the surety bond and the Trial Court may obtain a copy of their Aadhar card or Bank pass Book and mobile numbers to ensure their identity;

(iii) The Petitioners/Appellants shall appear before the office of the Inspector of Police, Economic Offences Wing – II, Chennai on every Friday at 10.30 a.m., till the final disposal of the appeal.

(iv) In breach of the conditions above, the Passport and Aadhar Card of the Petitioners/Appellants shall be surrendered to the learned Special Judge / Trial Court.

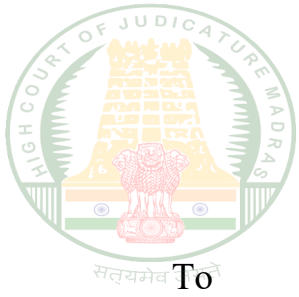
20. Accordingly, the Criminal Miscellaneous Petition stands ordered.

21. List this case during the month of July, 2026 for reporting compliance.

03.06.2026

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Note: Issue Order Copy on 04.06.2026.



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To

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1. The Special Judge, Tamil Nadu Protection of Interests of Depositors
(In Financial Establishment), Chennai.
Vellore.
2. The Inspector of Police,
Economic Offences Wing – II, Chennai.
3. The Central Prison,
Puzhal, Chennai.
4. The Public Prosecutor,
High Court of Madras.



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C.SARAVANAN, J.

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