



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23-07-2026

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THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

CRL OP No. 19719 of 2026

R.Arunkumar
S/o. Ramamoorthy,
42, 2nd Street,
Sokkanathan Nagar,
Maduravoyal,
Tiruvallur District. 600 095.

..Petitioner(s)

Vs

1. The State rep by the Inspector of Police
Economic Offences Wing,
Ashok Nagar,
Chennai-600 083.
2. M. Rakesh Jain
22, West Sivan Koil Street,
Vadapalani,
Chennai-600 096.

..Respondent(s)

PRAYER: Criminal Original Petition is filed under Section 528 of BNSS, praying to call for the records and quash the FIR in Crime No.17 of 2025 pending on the file of the 1st Respondent police and pass such further or other orders as this Honble Court may deem fit and proper in the circumstances of the case and thus render Justice.

For Petitioner(s):

Mr.K.Venkatesan

For Respondent(s):

Mr.M.Mohamed Riyaz

Government Advocate (Criminal Side) for R1



ORDER

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This Criminal Original Petition has been filed seeking to quash the FIR in Crime No. 17 of 2025.

2. A perusal of the FIR reveals that the case has been registered for the offences punishable under Sections 406 and 420 of the Indian Penal Code, Section 5 of the Tamil Nadu Protection of Interests of Depositors (in Financial Establishments) Act, 1997, Sections 21(2) and 21(3) of the Tamil Nadu Banning of Unregulated Deposit Schemes Act, 2019, and Section 76(1) of the Chit Funds Act, 1982.

3. The allegations in the complaint disclose that the petitioner / accused was involved in canvassing investments and induced the de facto complainant to invest in a scheme by promising monthly returns ranging from 2.3% to 2.5%. Believing the said representation, the defacto complainant invested a sum of Rs.15,76,000/-. Thereafter, neither the principal amount nor the promised returns were paid, resulting in the registration of the present case.

4. The learned counsel for the petitioner submitted that there is absolutely no material implicating the petitioner. According to the learned counsel, the

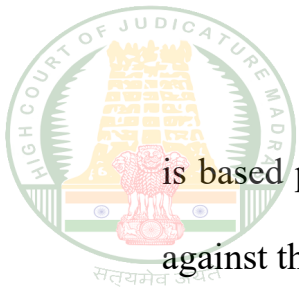


entire case rests upon oral allegations, and no incriminating material has been collected against the petitioner warranting continuation of the criminal proceedings.

5. When the matter came up for admission, the learned Government Advocate (Criminal Side) submitted that, apart from the defacto complainant, nearly twelve other victims had invested money in the scheme through banking transactions. The Investigating Officer has collected documentary materials evidencing such transactions. It was further submitted that this Court, in CrI.O.P.No.18472 of 2026 filed by the second accused, who is the wife of the present petitioner, had granted only a limited interim protection.

6. I have considered the rival submissions and perused the materials available on record.

7. A reading of the First Information Report discloses specific allegations against the petitioner that he actively canvassed the investment scheme and induced the defacto complainant and other investors to part with their money. The Investigating Officer has also collected materials indicating that the amounts were transferred through banking channels and that the investors were subsequently neither repaid the principal amounts nor the promised returns. Therefore, the contention of the learned counsel for the petitioner that the case



is based purely on oral allegations and that no material whatsoever is available against the petitioner is factually incorrect and cannot be accepted at this stage.

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8. Insofar as the petitioner's wife, who is the second accused, is concerned, this Court had entertained Crl.O.P.No.18472 of 2026 on the ground that the First Information Report did not contain any specific allegation against her and that her name and phone number alone were mentioned in the concluding portion of the complaint. The interim order passed therein only restrained the filing of the final report against her. However, the respondent police were permitted to proceed with the investigation and file the final report against the present petitioner and any other accused found to be involved. It was further observed that, if during the course of investigation the respondent police formed an opinion that the second accused, Mahalakshmi, was also involved in the commission of the offence, they should obtain appropriate permission from this Court before filing the final report against her. In all other respects, the respondent police were at liberty to complete the investigation and file the final report against the remaining accused.

9. The petitioner's contention that he had no connection with the company and had not cheated the investors involves disputed questions of fact, which can be determined only during the course of investigation and, if necessary, at the trial. Such factual issues cannot be examined in a petition



seeking quashing of the First Information Report under Section 528 of the BNSS.

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10. Accordingly, while leaving it open to the petitioner to raise all his factual and legal contentions before the appropriate forum at the appropriate stage, this Court is not inclined to quash the First Information Report.

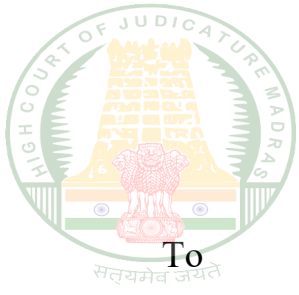
11. The respondent police shall complete the investigation as expeditiously as possible and in any event, within a period of six months from the date of receipt of the web copy of this order, and thereafter file the final report in accordance with law, bearing in mind the observations made above.

12. With the above observations, this Criminal Original petition stands disposed of.

23-07-2026

Neutral Citation: Yes/No

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To

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1. The Inspector of Police
Economic Offences Wing,
Ashok Nagar,
Chennai-600 083.
2. The Public Prosecutor,
High Court, Madras.



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D.BHARATHA CHAKRAVARTHY, J.

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