



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
(Criminal Jurisdiction)

Monday, the Twenty Fifth day of July Two Thousand Sixteen

PRESENT

The Hon`ble Ms.Justice V.M.VELUMANI

CRL OP(MD) No.8839 to 8841 of 2016

R.DEIVAM ... PETITIONER / ACCUSED No.9
in CRL OP(MD) No.8839 of 2016

S.RAJA ... PETITIONER / ACCUSED No.8
in CRL OP(MD) No.8840 of 2016

R.DEIVAM ... PETITIONER / ACCUSED No.7
in CRL OP(MD) No.8841 of 2016

Vs

State rep.by
THE INSPECTOR OF POLICE
ECONOMIC OFFENCE WING-II POLICE STATION,
MADURAI DISTRICT.
(CR. NO.1/2016) ... RESPONDENT / COMPLAINANT
in CRL OP(MD) No.8839 of 2016

STATE REP.BY
THE INSPECTOR OF POLICE
DISTRICT CRIME BRANCH,
MADURAI DISTRICT.
(CRIME.NO.64/2015) ... RESPONDENT / COMPLAINANT
in CRL OP(MD) No.8840 & 8841 of 2016

R.Selvaganesan ...Intervenor
in Crl.MP.(MD).No.5305 of 2016
in Crl.OP.(MD).NO.8841 of 2016

P.Karthikeyan ...Intervenor
in Crl.MP.(MD).No.5415 of 2016
in Crl.OP.(MD).NO.8841 of 2016

For Petitioner : M/S M.SUBASH BABU Advocate
in all the petitions

For Respondent : Mr.P.Kannithevan, Govt. Advocate (Crl. Side)
in all the petitions



For Intervenor : Mr.T.Lajapathi Roy, Advocate
in CrI.MP.(MD).No.5305 of 2016
in CrI.OP.(MD).NO.8841 of 2016

For Intervenor : Mr.K.Appadurai, Advocate
in CrI.MP.(MD).No.5415 of 2016
in CrI.OP.(MD).NO.8841 of 2016

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PETITIONS FOR ANTICIPATORY BAIL Under Sec. 438 Cr.P.C.

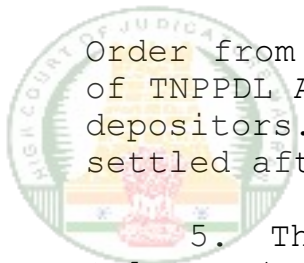
ORDER : The Court Made the following order :-

The petitioner in CrI.O.P.(MD).No.8839 of 2016, who is arrayed as Accused No.9, apprehends arrest at the hands of the respondent police for the alleged offences punishable under Sections 120(b), 420, 406 of I.P.C., and Section 5 of TNPID Act, 1997 in Crime No.1 of 2016, on the file of the respondent police and hence, seeks anticipatory bail and the petitioners in CrI.O.P.(MD).Nos.8840 and 8841 of 2016, who are arrayed as Accused Nos.8 and 7, apprehend arrest at the hands of the respondent police for the alleged offences punishable under Sections 120(b), 420, 406 of I.P.C., and Sections 4 and 5 of Price Chits and Money Circulation Schemes Running Act, 1978 in Crime No.64 of 2015, on the file of the respondent police and hence, seek anticipatory bail.

2. The case of the prosecution is that the petitioners in CrI.O.P.(MD).Nos.8839, 8840 and 8841 of 2016 are the Assistant General Managers and the petitioners in CrI.O.P.(MD).No.6602 of 2016 are the Chairman and Director of the Company in the name and style of Parivar Dairies and Allied Private Limited registered at Gwalior, Madhya Pradesh. All the petitioners induced the general public to deposit amounts on the promise of high returns. Number of persons deposited the amounts. The accused persons failed to pay the money on maturity. On complaint, case has been registered.

3. The case of the petitioners in CrI.O.P.(MD).Nos.8839, 8840 and 8841 of 2016 is that the petitioners are only employees of the Company and they used to receive money across the counter and enter in the computer. The computer is operated by the server at Madhyapradesh. The petitioners resigned from the company. The petitioners are not responsible for default. They have not committed any offence as alleged by prosecution.

4. The learned counsel for the petitioners would submit that the petitioners in CrI.O.P.(MD).Nos.6601 and 6602 of 2016 settled Rs.2,30,00,000/- to the depositors. The Company invested the money in the development of the farms and subsequently, unable to pay the salary. Due to that, the petitioners resigned from the Company in the year 2015. The Company purchased various properties including the property in Nilakottai measuring 43 acres in Nilakottai Taluk worth about Rs.38 crores. The learned counsel for the petitioners would further submit that as per Sections 3 and 4 of TNPPDL Act, the Revenue Divisional Officer is the competent authority by getting

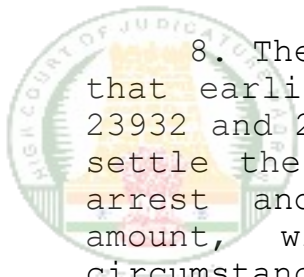


Order from the Government, attach the property and as per Section 7 of TNPPDL Act, he can sell the property and settle the amount to the depositors. The deposited amount is only 17 crores and amount can be settled after selling the property at Nilakottai.

5. The learned counsel for the petitioners/intervenors in CrI.M.P.(MD).No.5415 of 2016 and CrI.M.P.(MD).No.5305 of 2016 submitted that the petitioner in CrI.M.P.(MD).No.5415 of 2016 joined in the said chit company as a field worker and due to the effort made by him, 12 other persons also joined as a field worker in the Company and through them, 500 depositors deposited the amount. The accused persons failed to pay the amounts on maturity and cheated number of depositors of huge amounts. In the meantime, the said company has been closed from October 2015 and all the amounts deposited, were utilised by the accused persons for purchasing several properties in benami names.

6. In the year 2010, one R.S.Narvariya and B.L.Sharma came to Tamil Nadu and conducted a meeting at Raja Muthiah Mandram, Madurai headed by the petitioner viz., Deivam in CrI.O.P.(MD).Nos.8839 and 8841 of 2016 and canvassed on behalf of the Company. The said two persons were introduced by the said Deivam as if they are the Chairman and Managing Director of the said Company. The said Deivam stated that the Company is running after obtaining license from the Reserve Bank of India as well as Securities and Exchange Board of India (SEBI) and the said Company is said to be a Corporate Company of Life Insurance Corporation of India (LIC). The de-facto complainant was unaware of the head office of the said Company and believing the words of the petitioner Deivam, deposited several lakhs of rupees through the other field workers and their depositors. The said Company had issued bonds, instalment receipts and maturity receipts. Believing their representation only intervenor also deposited money. Totally, the Company collected more than Rs.1000/- crores. The petitioners in CrI.O.P.(MD).Nos.8839 and 8841 had purchased the property in benami names by utilising the amount collected from the depositors. The Company was banned by Government of Madhya Pradesh in the year 2010. Suppressing this, petitioners and others collected huge amounts and cheated several public.

7. The learned Government Advocate (CrI.side) submitted that huge amounts are collected from the general public and amounts were not paid on maturity and thereby the petitioners cheated the general public. The respondent police went to Madhya Pradesh once for enquiry. The petitioners in CrI.O.P.(MD).Nos.6601 and 6602 of 2016 are not in the address given in the petition. It is a fake address. Now, in Crime No.1 of 2016, till today, 7000 complaints and in Crime No.64 of 2015, 1,67,000 complaints were received and the investigation is pending. It has to be found out the properties purchased by the petitioners in benami names. If anticipatory bail is granted to the petitioners, they will abscond and tamper the evidence and hamper the investigation.



8. The learned Government Advocate (Crl.side) further submitted that earlier, the petitioners filed Crl.O.P.(MD).Nos.734 of 2016, 23932 and 23961 of 2015 before this Court. The petitioners agreed to settle the matter and this Court granted interim order of not to arrest and subsequently, the petitioners without settling the amount, withdrew the petitions and there is no change of circumstances.

9. Considered the rival submissions.

10. It is seen that huge amounts to the tune of 1000 crores of rupees collected by the petitioners and other accused persons on promising to give high returns, not paid on maturity, and cheated the general public. The complaint received is more than 1,67,000 against the petitioners. The allegation made against the petitioners is that the petitioners by utilising the amounts so collected, purchased the properties in benami names.

11. The learned counsel appearing for the petitioners in Crl.O.P.(MD).Nos.6601 and 6602 of 2016 seeks permission of this Court to withdraw these petitions and he has also made an endorsement to that effect.

12. In view of the serious allegations, custodial interrogation of the petitioners is necessary and this Court is not inclined to grant anticipatory bail to the petitioners in Crl.O.P.(MD).Nos.8839, 8840 and 8841 of 2016. Accordingly, these Criminal Original Petitions are dismissed and in view of the endorsement made by the learned counsel for the petitioner in Crl.O.P.(MD).Nos.6601 and 6602 of 2016, these petitions are dismissed as withdrawn.

sd/-

25/07/2016

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Sub-Assistant Registrar (C.S.)
Madurai Bench of Madras High Court,
Madurai - 625 023.

TO

- 1 THE INSPECTOR OF POLICE
ECONOMIC OFFENCE WING-II POLICE STATION,
MADURAI DISTRICT.
- 2 THE INSPECTOR OF POLICE
DISTRICT CRIME BRANCH,
MADURAI DISTRICT.
- 3 THE ADDITIONAL PUBLIC PROSECUTOR,
MADURAI BENCH OF MADRAS HIGH COURT, MADURAI.

+1. CC to M/S M.SUBASH BABU Advocate SR.No.39553
+1cc to M/s.K.Appadurai, Advocate Sr.No.39260

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ORDER
IN

CRL OP(MD) No.8839 to 8841 of 2016
Date :25/07/2016