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

Wednesday, the Twenty Eighth day of February Two Thousand Eighteen

PRESENT

The Hon`ble Mr.Justice R.PONGIAPPAN

CRL OP(MD) No.1983 of 2018

SUMATHI ... PETITIONER/ACCUSED No.4

Vs

THE SUB INSPECTOR OF POLICE,
EOW, TIRUNELVELI ... RESPONDENT

For Petitioner : M/S.R.RAMASAMY Advocate

For Respondent : M/S.A.ROBINSON, Government Advocate (Crl.Side)

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

ORDER : The Court Made the following order :-

The petitioner is arrayed as A4 in Crime No.3 of 2016 on the file of the EOW Police Station, Tirunelveli District. He apprehends arrest at the hands of the respondent police for the alleged offences under Sections 406, 420, 120(b) IPC. and Section 5 of TNPID Act, he has filed this petition, seeking relief to grant of anticipatory bail.

2. The case of the prosecution is that the petitioner /A4 acted as a commission agent in the Madurai Rural Development Transformation India Limited (hereinafter called as MRDT). Since the MRDT Finance and Co., cheated more than 100 crores, the Law Enforcing Agency registered the complaint under Tamilnadu Protection of Interest of Depositors (in financial establishment) Act, 1997. While pending Trial, the petitioner and other accused persons established some other new companies, namely, AGS Wealth Corporation, Accurate Trade Solutions etc., without registering with SEBI or the RBI, with the help of the petitioner herein. Thereafter, the petitioner and other accused persons converted the MRDT bonds to AGS Wealth Corporation bonds. Thereby, the Law Enforcing Agency registered a complaint against the petitioner and other accused persons for the above said offences.

3. The learned counsel for the petitioner would submit that the petitioner did not commit any offence as alleged by the prosecution. She was acted only as an agent of MRDT Finance and Company and the petitioner's husband/A3 and his brother/A4 issued

bonds in the name of AGS Wealth Corporation for the exchange of MRDT bonds to the depositors. However, the petitioner's husband/A3 and his brother/A4 were arrested and released on bail. He further submitted that the petitioner did not signed in any of the documents and never acted as an agent of the AGS Wealth Corporation. In support of the contention, he relied upon the decision of this Court in the case of ***Prasannadevi vs. State of Tamilnadu rep. by the Deputy superintendent of Police (Economic Offence Wing), Cuddalore, Cuddalore District,*** reported in ***2009-2-LW(Crl.)1059*** and drawn the attention of the Court to paragraph Nos.12 and 14, wherein this Court held that a person, who merely manages the affairs of a firm or a company viz., Clerks, Accountants, Office Assistants, who are just paid servants would not be responsible for the management in the sense that they are not answerable to the claim made against the financial firm and further all the family members, who have nothing to do with the financial bungling of the institution are roped in on the mere allegation that they started canvassing for deposit for the financial institution. Hence, Section 5 of TNPID Act is not attracted against this petitioner. Accordingly he prayed for anticipatory bail.

4. The learned counsel for the intervenor would submit that a large number of innocent persons deposited the amount in MRDT Finance Company. The same was changed into AGS Wealth Corporation in order to defeat the case pending against MRDT Finance Company.

5. The learned Government Advocate (Crl.side) would submit that there was a huge transaction in the MRDT Finance Company, which was investigated by the Law Enforcing Agency and a case was registered before the TNPID Court. While investigation of this case is pending before the competent Court, the petitioner and the other accused persons transferred the bonds from MRDT to AGS Wealth Corporation and he further submitted that the truth will come out only by conducting a full fledged investigation. Hence, he vehemently opposed to grant anticipatory bail to the petitioner. He further submitted that already the anticipatory bail petition filed by A7 and A8 was dismissed on merits by this Court.

6. Considering the facts and circumstances of the case the investigation has not been completed. Even though some of the accused are released on bail, considering the fact that huge funds were transferred from the original MRDT Finance Company to AGS Wealth Corporation, I am not inclined to grant anticipatory bail. Hence, this Criminal Original Petition is dismissed.

sd/-
28/02/2018

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

TO

1 THE SUB INSPECTOR OF POLICE
EOW, TIRUNELVELI.

2 THE ADDITIONAL PUBLIC PROSECUTOR
MADURAI BENCH OF MADRAS HIGH COURT,
MADURAI.

ORDER
IN
CRL OP(MD) No.1983 of 2018
Date :28/02/2018

PK/CM-VR/SAR-4/09.03.2018 : 3P/3C