Crl.O.P.No.7703 of 2023

T.V.THAMILSELVI, J.

The petitioner, who was arrested and remanded to judicial custody on 02.08.2022 for the offence punishable under Section 212(6) of Companies Act, in F.No.3/61/2018/CL-II (SR) on the file of Respondent police, and pending trial in Spl.C.C.No.1 of 2023 before the learned XV Additional Sessions Judge, Special Judge to deal with trial of offences under Companies Act, Chennai, seeks bail.

2. The case of prosecution is that the Surana Group of Company consists of three flagship companies viz., SIL, SCL and SPL and said group of companies borrowed Rs.1000 cores of money from the banks and later, they were declared as NPA and they are under liquidation under IBC. It is the further case of prosecution that the said group of companies is having total liability of Rs.10233/- crores to the banks. The petitioner has acted as MD, non-executive Director and as a promoter/share holder in the said group of companies and he had control

over the Surana Group of Companies with other accused. It is the further case of prosecution is that he has acted as MD of SCL from 04.03.2004 till he resigned his post on 04.11.2015. It is alleged that this petitioner had full command and control over the operations of SCL, SIL & SPL and he had active role in obtaining loans from the banks by fraudulently showing the strength of the business with boosted figures. It is the further case of prosecution that this petitioner in connivance with the other accused persons established so many puppet companies and operated them through his employees and inflated the revenues of SCL sales in the year 2010-2014 and subsequently in overseas countries also and had shown that the SCL had exporting gold with that foreign puppet companies. It is the further case of prosecution that this petitioner with the connivance of other accused cunningly shown that the overseas puppet companies had debts to the tune of Rs.262.92 cores to SCL, thereby acquired undue advantages and siphoned the bank borrowals and also showed the manipulated revenue of SCL in the books of accounts, falsified financial statements and representations, thereby obtained various bank loans even at the time of CDR process and the outstanding due is Rs.2729.94 crores as per IBC. It is further alleged that he fraudulently shown the gold wastages as 674 kgs though it has no manufacturing activity. It is further alleged that the puppet companies, i.e. Maruthi Corporation and Maruthar Trading were established and controlled by this petitioner and by using these puppet companies, he had entered into business dealing with SCL, thereby siphoned out gold wastages in fraudulent manner and obtained fraudulent share capital infusion and siphoned a sum of Rs.34.7 crores from the said group of companies. It is also alleged that he functioned as Director of SPL from its incorporation on 19.03.2008 till 24.01.2012. It is alleged that this petitioner has diverted the funds of SIL into SPL as share capital, thereby the bank loans were lured by him. It is alleged that this petitioner and other accused siphoned the bank monies and had committed fraud punishable under Sec.447 of Companies Act, 2013. Hence, the complaint.

3. The learned counsel for petitioner would submit that the petitioner was just a non-whole time Director in Surana Power Ltd. from

19.03.2008 to 24.01.2012 and he is one of the promoter and one of the shareholder in Surana Industries Ltd. He would submit that he never was a part of Board of the said company from day one apart from he was being a shareholder. He would also submit that the petitioner was a promoter and Managing Director of Surana Corporation Ltd. till his resignation on 04.11.2015. Even prior to his resignation, he transferred all his shares to his brother Mr.Dinesh Chand Surana on 29.04.2015. He further submitted that a charge sheet has been filed against him and the case has been taken up on the file of the learned XV Additional Sessions Judge, Special Judge to deal with trial of offences under Companies Act, Chennai, in Spl.C.C.No.1 of 2023. He further submitted that already this Court dismissed the petition in Crl.O.P.No.28756 of 2023, on 08.12.2022 and he is ready to abide by any stringent conditions imposed by this Court and he is in judicial custody from 02.08.2022. Therefore, he prays for grant of bail to the petitioner.

4. Learned Government Advocate (Crl.Side) submitted that already this Court dismissed the bail petition in Crl.O.P.No.28756 of

2023 on 08.12.2022, in which, detailed report has been filed against the petitioner and all the facts were discussed in detailed. He further submitted that a charge sheet has been filed and the case has been taken on file in Spl.CC.No.1 of 2022, before the learned XV Additional Sessions Judge, Special Judge to deal with trial of offences under Companies Act, Chennai. He also further submitted that if the petitioner is granted bail at this stage, there is a possibility of tampering the witnesses and hampering the evidence. Hence, he vehemently opposed to grant bail to the petitioner.

5. Heard the learned counsel for the petitioner and the learned Government Advocate (Crl.Side) and perused the materials available on record.

6. This Court elaborately discussed the facts and circumstances of the case as well as the involvements of the petitioner in Crl.O.P.No.28756 of 2023, based on the prima facie material the petitioner has been arrested by the respondent police and there is no

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change in circumstance, this Court is not inclined to grant bail to the petitioner.

7.Accordingly, this Criminal Original Petition stands dismissed.

22.06.2023

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