



Crl.O.P.Nos.5248, 5257 & 5263 of 2024

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 21.03.2024

CORAM

THE HON'BLE MR. JUSTICE **C.V.KARTHIKEYAN**

Crl.O.P.Nos.5248, 5257 & 5263 of 2024
and Crl.M.P.No.4686 of 2024

Kodandaraman @ Babu	..Petitioner in Crl.O.P.No.5248 of 2024
Poornima	..Petitioner in Crl.O.P.No.5257 of 2024
Dhanalakshmi	..Petitioner in Crl.O.P.No.5263 of 2024

Vs.

State represented by
The Deputy Superintendent of Police,
EOW, Kanchipuram District.
(Crime No.01 of 2024).

...Respondent in all Crl.O.Ps.

COMMON PRAYER: Criminal Original Petitions are filed under Section 439 of Cr.P.C. praying to enlarge the petitioners on bail in crime No.01 of 2024 pending on the file of the respondent Police.

For Petitioners : Mr.S.Vijayaraghavan

For Intervenor : Mr.V.Karthikeyan for Mr.S.Joel

For Respondent : Mr.L.Baskaran



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in both OPs. Govt. Advocate (Crl. Side)

COMMON ORDER

The petitioners, who were arrested and remanded to judicial custody on 01.02.2024 for the offences registered by the respondent Police under Sections 409 and 420 r/w 34 of IPC and Section 5 of TNPID Act, 1997 and Section 76(1) of the Chit Fund Act, 1982, in Crime No.01 of 2024, seek bail.

2.The petitioner in Crl.O.P.No.5248 is arrayed as A6, the petitioner in Crl.O.P.No.5257 of 2024 is arrayed as A9 and the petitioner in Crl.O.P.No.5263 of 2024 is arrayed as A10.

3.It is the case of the prosecution that the husband of A9 one Anantha Krishnan had committed suicide on 04.07.2023, who was not able to repay the creditors from whom substantial amounts have been obtained. It is stated that A1 to A5 are companies. A3 is Yoga Shree Finance and A5 is Lakshmi Narayanan Finance. These businesses were run by the accused persons, though A9 claims no knowledge about the manner in which the business was run. It is stated that they had collected the deposit from as many as 278 depositors, amounting to more than Rs.20/- crores. Out of the said depositors, 226 depositors have filed



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Crl.M.P.No.4686 of 2024 seeking permission to intervene in the matter and they heard before any orders are passed.

4.It is further case of the prosecution that the complaint had been received from one Palani chettiyar that he is in the business of selling cloth in his two wheeler. It is stated that he came to know the address of A9, Anantha Krishnan and also came to know that all the accused were running about 5 finance companies and he had deposited total amount of Rs.3,35,900/- in the said finance companies. It is stated that they had also issued small savings scheme cards and also receipts. It had been stated that since the accused persons did not return the amounts, the husband of A9, Anantha Krishnan committed suicide by hanging on 04.07.2023. The accused are also possessed several properties including one Kalyana Mandapam called A.K.Kalyana Mandapam at Maduranthagam.

5.The learned counsel for the petitioners stated the petitioners have every intention of settling the issue. It is stated that they do not intend to abscond from the judicial process. In this connection, an affidavit has also been filed by A9 wherein A9/wife of the said Anantha Krishnan had stated as follows:

“(4) I respectfully submit that I have no objection



to the sale of all the immovable assets which have been seized by the respondent /Police authorities, for the same to be utilized for repayment to genuine bona fide creditors/ depositors.

(6) I further respectfully submit that to the best of my knowledge the Kalyanamandapam with several rooms which property documents has been seized may be directed to be sold first so that almost the entire due or a substantial part of it will be settled by just that one sale leaving the rest of the properties perhaps free for use.

(7) I further state that to show my initial bona fides, I will deposit a sum of Rs.3,00,00,000/- (Rupees Three Crores only) within a period of eight weeks from this date before this Hon'ble Court.

(8) I further respectfully state that taking note of the above genuine proposal given by me that same may be recorded by this Hon'ble Court as a solemn undertaking and we might be released on bail so that we will be enabled to raise the money for paying the initial amount of Rs.3,00,00,000/- (Rupees Three Crores only) as well as to find buyers for the best price for the assets which we have already given no objection for the same.”

6.The learned counsel for the petitioner further reiterated the statement made in the affidavit and stated that the accused persons intend



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to repay each and every creditors and no intention of withholding any amount.

7.In the status report filed by the Investigating Officer, the list of properties which had been seized during the house search and the details of immovable properties of the individual accused had been given. Further, the details about the bank account which had been frozen and mortgage loan amount and also the given loan amount which has been frozen have also been stated. It had been stated that the approximate value of the seized movable and identified immovable properties other than what has been mortgaged comes to Rs.20,33,55,478/-. It had been stated that the default to be paid to 278 depositors is Rs.20,39,32,888/-.

8. If the properties are sold, then all the depositors could be repaid the amounts which they have individually deposited. That is the object of the registration also, to ensure that the depositors get back the amounts which they have paid to the finance companies.

9.Taking all these factors into consideration and the period of incarceration, this Court is inclined to grant bail to the petitioners subject to the following conditions:



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10. Accordingly, the petitioners are ordered to be released on bail on condition to execute a separate bond for a sum of Rs.10,000/- (Rupees Ten Thousand only) with two sureties, each for a like sum to the satisfaction of the learned **VIII Additional Special Judge for CBI cases (Special Court under TNPID Act), FAC, Chennai**, and on further conditions that:

[a] the sureties shall affix their photographs and Left Thumb Impression in the surety bond and the Magistrate may obtain a copy of their Aadhar card or Bank pass Book to ensure their identity.

[b] the petitioners shall report before the respondent Police, everyday at 10.30 a.m., for a period of two weeks and thereafter, on every Saturday at 10.30 a.m., until further orders.

[c] It is further directed that A9 should deposit a sum of Rs.3,00,00,000/- (Rupees Three Crores only) to the credit of Crime No.01 of 2024 on or before 21.05.2024. If it is not so deposited, any one of the intervenors or all of them are at liberty to file necessary application seeking cancellation of the bail granted to A9. The respondent are also at liberty to file such an application. Thereafter, the learned **VIII Additional Special Judge for CBI cases (Special Court under TNPID Act), FAC, Chennai**, may



take necessary steps to bring to the properties to auction for sale and care should be taken that no cartel is formed at that time of auction and the properties are auction for less than the market value and to ensure that the market value is fixed so that every depositors is repaid with their individual depositors.

[d] A6 and A10 may also file an affidavit that they also have no objection for selling the properties, within one week from the date of executing the sureties.

[e] the petitioners shall not abscond either during investigation or trial.

[f] the petitioners shall not tamper with evidence or witness either during investigation or trial.

[g] On breach of any of the aforesaid conditions, the learned Magistrate/Trial Court is entitled to take appropriate action against the petitioners in accordance with law as if the conditions have been imposed and the petitioners released on bail by the learned Magistrate/Trial Court himself as laid down by the Hon'ble Supreme Court in P.K.Shaji vs. State of Kerala [(2005)AIR SCW 5560].

[h] If the accused thereafter absconds, a fresh FIR can be registered under Section 229A IPC.

11. Accordingly, this Criminal Original Petition is ordered.

Consequently, connected Miscellaneous Petition is also ordered.



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To

- 1.The VIII Additional Special Judge for CBI cases
(Special Court under TNPID Act), FAC, Chennai.
2. The Central Prison, Puzhal.
- 3.The Deputy Superintendent of Police,
EOW, Kanchipuram District.
- 4.The Public Prosecutor, High Court of Madras.

C.V.KARTHIKEYAN. J.

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