IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 27.09.2024

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The Hon`ble Mr.Justice P.DHANABAL

CRL OP.No.21200 of 2024

Harish S/o. Karunakaran ... Petitioner /Accused

Vs

State rep. by:-

The Additional Superintendent of Police,
Economic Offences Wing-II,
HQRS, Chennai. ... Respondent
[Cr. No.7 of 2022]

PRAYER: - The Criminal Original Petition is filed under Section 483 of B.N.S.S., praying to grant bail to the petitioner/Accused in Crime No.7 of 2022 on the file of the respondent police.

For Petitioner : Mr. S. Venkatesan

For Respondent : Mr. R. Muniyapparaj,
Additional Public Prosecutor,
assisted by
Mr. S. Vinoth Kumar
Government Advocate (Criminal side)

ORDER

The petitioner/Accused, who was arrested and remanded to judicial custody on 28.03.2023 for the offences punishable under Sections 420, 406, 409, 120-B, 201, 204, 109 r/w 34 of IPC, Section 58(B) of RBI Act, 1934 and Section 5 of TNPID Act 1997 and Section 3, 5, 21(1), 21(2), 21(3), 23 and 25 of BUDS Act 2019 in Cr. No.7 of 2022 on the file of the respondent police, seeks bail.

2. The case of the prosecution is that A1 Aarudhra Gold Trading Pvt. Ltd., and other accused invited deposits through advertisements in websites and social media at 21 branches in Aminjikarai, Anna Nagar, Perungalathur, Urapakkam, Avadi, Villivakkam, Chengalpattu, Uthiramerur, Tiruvallur, Nemili, Kanchipuram, Aarani, Cheyyar, Mangal SIPCOT, Vellore, Ranipet, Trichy, Madurai, Palayamkottai, Tirunelveli, Hosur and Krishnagiri and had been collecting deposits from the public with false promise of repaying exorbitant interest at the rate of 10% to 30% per month. As per the FIR, Rs.2522.63 crores were collected from 1,09,255 depositors through 30 bank accounts of the company and its Directors from the year 2020 and cheated the depositors. Hence the case.

3. The learned counsel for the petitioner would contend that the respondent police have registered a false case against the petitioner and others in Cr. No.7 of 2022 for the offences under Sections 420, 406, 409, 120-B, 201, 204, 109 r/w 34 of IPC, Section 58(B) of RBI Act, 1934 and Section 5 of TNPID Act 1997 and Section 3, 5, 21(1), 21(2), 21(3), 23 and 25 of BUDS Act 2019, that the petitioner was arrested and remanded to judicial custody on 28.03.2023, that the petitioner has not committed any offence as alleged in the FIR, that he is a sports person engaged in the sport of Kick Boxing and allied sport activities and he has been coaching numerous students in and around Kancheepuram, that one Mr. Rajasekar, approached the petitioner with a new venture proposal and divulged about his business project of purchasing of gold and selling the same and liquidating gold for persons who are unable to redeem from huge interest burden, that considering the proposal of the said Rajasekar, the petitioner offered to work for the said Rajasekar by opening an outlet at Kancheepuram and the outlet for purchase of gold was opened on 25.02.2021, that thereafter, the petitioner was given the post Honorary Director of the company M/s. Arudhra Gold Trading Private Limited and

he was instructed that he should take care of the business for Kancheepuram area. The said Rajasekar invited investors and initially the payments were prompt and the petitioner also referred his friend and associates to invest in the said company, that the entire payments were made through bank and he introduced customers to the tune of Rs.64 crores and out of which, Rs.8 crores was invested by the petitioner independently on his personal level from his close family and friends, that thereafter, the said M/s. Arudhra Gold Trading Private Limited has not returned the said amount, that this petitioner has transferred the funds to his personal account, that the petitioner is in custody for more than one and half years, that A16 is not a Director on the date of FIR, he was only an investor and he also resigned his job on 02.12.2021 itself, that already A5 was granted bail and charge sheet was also filed in this case and the records were collected. Hence, he prayed to grant bail to the petitioner.

4. The learned Government Advocate (Criminal Side) would submit that as far as this petitioner is concerned, he has directly participated in the occurrence, that he only received money, silver, gold and documents from the public, that money was seized and the bank

accounts of the accused have also been frozen, that the accused have not registered the company under SEBI Act, that preliminary charge sheet was filed and thereafter many complaints received, that micro level investigation is required, that further investigation is not yet completed, that further investigation reveals that the number of complaints and the quantum of money is being increased, that in this case, huge money collected from lot of persons, is involved, that some more witnesses have to be examined to find out the truth regarding the diversion of money and transfer of properties done by the petitioner/accused and also A9, A5 are all absconding. Hence, at this stage,the petition is liable to be dismissed.

5. Heard both sides and perused the materials available on record.

6. Considering the rival submissions on either side, considering the fact that further investigation is not yet completed, that huge money of public is involved in this case, that already this Court dismissed the petitions filed by the petitioner, that there are no chage of circumstances and also considering the gravity of offences, I am declined to grant bail to the petitioner at this stage.

7. Accordingly, the Criminal Original Petition is dismissed.

27.09.2024

index: Yes/No
Internet: Yes/No
Speaking/Non Speaking order
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P.DHANABAL,J
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To

1.The Special Judge, Special Court under the TNPID Act (Financial Establishment) Act, Chennai.
2.The Public Prosecutor, Madras High Court, Chennai.
3.The Additional Superintendent of Police, Economic Offences Wing-II, HQRS, Chennai.
4. The Superintendent of Police, Central Prison, Puzhal, Chennai.

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26.09.2024