IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.09.2024

CORAM

THE HONOURABLE MR. JUSTICE M.NIRMAL KUMAR

Crl.OP.No.22738 of 2024

Sujala.S

... Petitioner

Vs.

1.The Commissioner of Police,
EVK Sampath Road, Vepery,
Periamet, Chennai - 600007.

2.State rep. by
The Inspector of Police,
Beta-6, EDF-III,
Central Crime Branch,
Veperty Chennai-07

3.The Manager,
Indian Bank,
Padmavathi Nagar,
Nandyal,
Andhra Pradesh-518501

... Respondents

PRAYER: Criminal Original Petition is filed under Section 482 of Cr.P.C. To direct the 2nd Respondent to de-freeze the Petitioners bank account bearing No.50337947059 in the name of Tmt.Sujala maintained with the 3rd

Respondent and permit the Petitioner to operate the petitioner accounts in relation to Crime No.89 of 2023 which were frozen by the 2nd Respondent and pass such further or other orders as this Hon'ble Court may deem fit proper and thus render Justice.

For Petitioner	:	Mr.Mohammad Riyaz for M/s.M.Prem Kumar
For Respondents	:	Mr.S.Udaya Kumar, Govt. Advocate(Crl. Side)

ORDER

The petitioner/A2 in Crime No.89 of 2023 has filed this petition seeking to direct the 2nd respondent to defreeze the petitioner's bank account bearing No.50337947059 maintained in Indian Bank, Padmavathi Nagar, Nandyal, Andhra Pradesh, in the name of M/s.Sri Ramachandra Mission, which is a spiritual organization.

2. The contention of the petitioner is that the petitioner as Director of the M/s Nandi Irrigation System Pvt. Ltd (hereinafter referred to as the "Company" for the sake of brevity) entered into a business agreement with the de facto complainant in the year 2019 for supply of PVC raw materials. During the business transaction between the Company and the de facto complainant, there was a supply of PVC pipes on a credit basis and the Company committed a default in payment for material supplied. On 13.10.2022, during a Joint Meeting, an assurance was given by the Company that the outstanding amount would be settled. However, the Company committed default in repaying the outstanding amount. The total outstanding amount was to the tune of Rs.11,79,08,234.29/-.

3. It is the further contention of the petitioner that the Company had already made the payment for the good quality of raw materials supplied by the de facto complainant and the present dispute is only with regard to the inferior quality of raw materials supplied worth Rs.12 Crores. The petitioner also intimated the defacto complainant about the inferior quality of raw materials supplied vide letter and e-mail dated 02.12.2022. Suppressing these facts, the de facto complainant had lodged a complaint. In any event, prior to the registration of the complaint, the petitioner had approached the National Company Law Tribunal, Hyderabad. (NCLT) vide CP(IB).No.22/9/2023/HYD-II for appointed of Insolvency Resolution Professional and in the above-said matter the Tribunal had ordered notice and the petitioner had filed a counter.

4. In the meantime, an FIR was registered and the 2nd respondent police, without conducting proper investigation and ascertaining the truth, mechanically issued a notice dated 18.06.2024 under Section 102 Cr.P.C to freeze the Bank Account No.50337947059 of M/s. Sri Ramachandra Mission, which is a spiritual organization that had nothing to do with the allegation made in Crime No. 89 of 2023. The petitioner is one of the trustees of M/s. Sri Ramachandra Mission.

5. The learned counsel for the petitioner submitted that in this case, the Investigating Officer violated the circular issued by the Director General of Police and issued a prohibitory order which is not sustainable in law. There is nothing to show that what are the crime proceeds which have been transferred and during which period these proceeds have been transferred. He further submitted that in this case investigation has been completed and charge sheet has been filed. However, in the charge sheet, there is no reference to Bank Account No.50337947059.

6. The learned Public Prosecutor filed a counter and submitted that in this case based on a complaint lodged by one M/s.Rishabh Triexim LLP, a case in Crime No.89/2023 registered on 17.04.2023.

7. It is submitted that during the course of investigation, the previous I.O. had given the concerned bank to collect Course requisition letter to the concerned bank to collect the account statements, the Branch Manager of Union Bank of India on 05.08.2023 furnished the soft copy through the mail and same was scrutinized through I-Acquit web portal. The account statement was analyzed the company funds flow was intended. The Further enquiry will be conducted with the distributors and suppliers M/s Nandi Irrigation Systems (P) ltd.

8. It is submitted that during the course of investigation, in order to enquire A3. Srikanth Reddy and A4. Sridhar Reddy notices u/s 41 (A) Cr.P.C. was sent them on 15.07.2023, 07.09.2023 & 15.09.2023. But both of them were not appeared for enquiry.

9. It is submitted that, the complainant of this case moved direction petition before the Hon'ble High Court of Madras in Crl.O.P.No.27052 of 2023 and the Hon'ble Court observed that in spite of several notices to the accused persons, they did not seemed to be cooperating for investigation nor giving their explanation. Thus the Hon'ble High Court of Madras ordered respondent police to take secure accused persons A2, A3, A4 and also to complete the investigation of the case within a period of 3 months after receipt of the order copy.

10. It is submitted that during the course of investigation, based on the complaint of several banks, already two cases were registered in Hyderabad City and Bangalore City against the above mentioned accused in 420,468,471 IPC and 13 (2) r/w 13(1) (d) of PC Act 1988.

11. It is submitted that during the course of investigation, on 18.06.2024 a requisition letter sent to Indian Bank, Padmavathi Nagar, Nandyal, Andhra Pradesh-518501, to freeze the accused A2's bank account bearing No.50337947059 through Tamil Nadu Government mail ID. The mentioned bank account was frozen on 18.06.2024 and the same was intimated to Metropolitan Magistrate, CCB and CBCID Court, Egmore, Chennai on 19.06.2024 u/s 102 Cr.P.C.

12. It is submitted that after finishing the investigation, the final report was e-filed vide Ref. Number LTN20226001751C202400024-CC before the Learned CCB / CBCID Metropolitan Magistrate Court on 24.08.2024 and not taken for file.

13. The learned Public Prosecutor produced a copy of the charge sheet and submitted that in the charge sheet, there is no reference to the bank account no.50337947059 in the name of M/s.Sri Ramachandra Mission and the freezing of account is no more required.

14. Considering the above submissions and the fact that in the charge sheet filed by the respondent police there is no reference to the bank account no.50337947059, this Court is of the view that M/s.Sri Ramachandra Mission has nothing to do with the allegation made in Crime No. 89 of 2023. In view of the same, bank account No.50337947059 maintained in the Indian

Bank, Padmavathi Nagar, Nandyal, Andhra Pradesh, is hereby directed to be defreezed and the order of requisition issued by the 2nd respondent/Investigating Officer dated 18.06.2024 is hereby struck off.

15. With the above directions, Crl.OP.No.22738 of 2024 is disposed of.

18.09.2024

Index : Yes/No
Internet: Yes/No
Speaking order/Non-Speaking order
Neutral Citation : Yes/No
(shr)

To

1.The Commissioner of Police,
EVK Sampath Road, Vepery,
Periamet, Chennai - 600007.

2. The Inspector of Police,
Beta-6, EDF-III,
Central Crime Branch,
Veperty Chennai-07

3.The Manager,
Indian Bank,
Padmavathi Nagar,
Nandyal,
Andhra Pradesh-518501

M.NIRMAL KUMAR, J.,

(shr)

Crl.OP.No.22738 of 2024

18.09.2024