IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 04.12.2024

CORAM

The Hon`ble Mr.Justice P.DHANABAL

CRL OP.No.28575 of 2024

R. Karthik S/o. Rajagopal ... Petitioner / Accused-7

Vs

State rep. by:-

The Deputy Superintendent of Police,
Economic Offence Wing-II, Chennai. ... Respondent
[Cr. No.10 of 2024]

PRAYER: - The Criminal Original Petition is filed under Section 483 of B.N.S.S., praying to grant bail to the petitioner/Accused in Cr. No.10 of 2024 on the file of the respondent police.

For Petitioner : Mr. R. Chandra Sudan

For Respondent : Mr. E. Raj Thilak
Additional Public Prosecutor
[Criminal side]

ORDER

The petitioner / Accused, who was arrested and remanded to judicial custody on 25.09.2024 for the offences punishable under Sections 409, 420 of IPC and Section 5 of Tamil Nadu Protection of

Interest of Depositors (in Financial Establishment) Act, 1997 in Cr. No.10 of 2024 on the file of the respondent police, seeks bail.

2. The case of the prosecution is that the defacto complainant got introduction of the accused A7, who is the Chief Agent of V4V Enterprises / A1 company and A7 induced the defacto complainant to deposit amount in A1 company for getting high returns and believing his words, the defacto complainant deposited Rs.1 lakh and received interest of Rs.2,40,000/- per year. Further, he got introduction of A2 to A4 through A5, CEO of V4V Enterprises and A7. A2 represented the defacto complainant that he is running a real estate company called V.N. one Homes and through A6, he invested gold in Kenya for high profit. Believing the words of the accused, the defacto complainant deposited Rs.5 lakhs on various dates. Further the Directors and CEO of A1 company stated that they will register 1200 sq. ft. of land for free if the defacto complainant pay Rs.9 lakhs and they will also pay interest at Rs.81,000/- per month for 24 months. Hence the defacto complainant deposited Rs.9 lakhs with A1 company on 25.06.2022, for which he received Rs.40,000/- for two months only. Thereafter, the accused did

not return the money and cheated the defacto complainant. Hence the case.

3. The learned counsel for the petitioner would contend that the respondent police have registered a false case against the petitioner for the offences punishable under Section 409, 420 of IPC and Section 5 of Tamil Nadu Protection of Interest of Depositors (in Financial Establishment) Act, 1997 in Cr. No.10 of 2024 and he was arrested and remanded to judicial custody on 25.09.2024. The case of the prosecution is that the prime accused is a limited company and was incorporated and registered under the provisions of the Companies Act in the field of finance and floated investment scheme under the grab of savings investment and the investments were canvassed through advertisements through various mediums. The accused company also issued pamphlets with attractive incentive on direct referral to the person who canvass and bring investment through some other person. In that process, he introduced the certain investors to the 1st accused company for deposit of money and he received certain commission. In fact, the petitioner also

invested a sum of Rs.8.5 lakhs to the accused company. All of a sudden, the company abruptly stopped paying money and went into the dark by adopting fly night operation. Since the persons invested money through the petitioner to the accused company, they started to choke him exerting pressure from various sources and lodged a complaint. The petitioner is neither a Director of the A1 company nor participated in the day to day affairs of the company. The role of the petitioner is very limited and he was only a canvassing agent. Therefore, he has not committed any offence as alleged by the prosecution and hence prayed to grant bail to the petitioner.

4. The learned Government Advocate (Criminal Side) would submit that on 21.06.2024, at about 13.15 hours, the respondent police received a complaint from the Additional Director General of Police, Economic Offence Wing and registered the case. As per the complaint, this petitioner is a Chief agent and he very often insisted the defacto complainant to invest money in V4V Enterprises / A1 company and the defacto complainant also invested Rs.1 lakh on the promise given by the

petitioner that he would get 20% of amount as monthly interest and he would get Rs.2,40,000/- within a year. A2 also represented that A2 is running a Real Estate company namely V.N. One Homes and through A6 Arumugam, he had invested gold in Kenya and getting a lot of profit. Believing the words of the accused, the defacto complainant paid a sum of Rs.2 lakhs to A2 to A4 on 16.04.2022. Thereafter, the complainant has paid a sum of Rs.3 lakhs on various dates and totally he paid Rs.5 lakhs to the accused persons and further the Directors and CEO of the A1 company made promise that they will register 1200 sq. ft. of land for free if the complainant has paid Rs.9 lakhs. Believing the said promise, the defacto complainant also invested an amount of Rs.9 lakhs to the above said company and the company also paid Rs.40,000/- to the defacto complainant's bank account as interest in the 1st two months. Thereafter, they did not pay any amount. Therefore, all the accused cheated the defacto complainant. During the course of investigation, they arrested A2 Naveen and then he was interrogated under police custody and as per his confession statement, Rs.8 crores was collected from around 500 investors. Thereafter, the High Court granted bail to A2. Thereafter, A4 was arrested and released on bail on medical grounds on condition to deposit Rs.50 lakhs before the TNPID Court. Investigation is still pending and hence, he strongly opposed to grant bail to the petitioner.

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

6. Considering the rival submissions made on either side, considering the fact that this petitioner has acted only as a collection agent and he has also invested money and this petitioner neither a Director nor participated in the day to day affairs of the 1st accused company and even according to the prosecution, the amount was invested into the account of the 1st accused company through online and no amount was received by this petitioner and also considering the incarceration period of this petitioner from 25.09.2024, that already the co-accused were arrested and released on bail and all the offences are borne out of records and hence there would be no chance for tampering the evidence, I am inclined to grant bail to the petitioner, subject to the following conditions:

[a] Accordingly, the petitioner is ordered to be released on bail on condition to execute a 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 **Special Judge, Special Court under TNPID Act, Chennai** and on further conditions that:

[b] the petitioner shall report before the respondent police daily at 10.00 a.m. until further orders;

[c] the petitioner shall not commit any offence similar to the offence of which she is accused, or suspected, or of the commission of which she is suspected;

[d] the petitioner shall not abscond either during investigation or trial;

[e] the petitioner shall not directly or indirectly make any inducement, threat or promise to any person acquainted with the facts of

the case so as to dissuade her from disclosing such facts to the Court or to any police officer or tamper with the evidence;

[f] On breach of any of the aforesaid conditions, the learned Judicial Magistrate/Trial Court is entitled to take appropriate action against the petitioner in accordance with law as if the conditions have been imposed and the petitioner 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].

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

04.12.2024

index: Yes/No
Internet: Yes/No
Speaking/Non Speaking order
mjs

To

1.The Special Judge, Special Court under TNPID Act, Chennai

2.The Public Prosecutor, Madras High Court, Chennai.
3. The Deputy Superintendent of Police, Economic Offence Wing-II, Chennai.
4. The Superintendent of Police, Central Prison, Puzhal, Chennai.

P.DHANABAL,J
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