IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 06.03.2025

PRONOUNCED ON : 13.03.2025

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THE HON'BLE MR. JUSTICE SUNDER MOHAN

Crl.O.P.No.4563 of 2025

R.Malathi ... Petitioner/A20

Vs.

The State represented by,
Additional Superintendent of Police,
Economic Offences Wing,
Headquarters, Ashok Nagar,
Chennai – 600 083.
(Crime No.7 of 2022). ... Respondent/Complainant

PRAYER: Criminal Original Petition filed under Section 483 of BNSS, pleased to enlarge the petitioner on bail, in connection with the Crime No.7 of 2022, pending investigation on the file of the respondent police.

For Petitioner : Mr.C.S.S.Pillai
for Mr.K.Arun Prasad
For Respondent : Mr.E.Raj Thilak
Additional Public Prosecutor

O R D E R

This Criminal Original Petition has been filed by the petitioner/A20, who was arrested and remanded to judicial custody on

25.05.2023, seeking bail in Crime No.7 of 2022 registered for the offences under Sections 120-B, 420, 406 of IPC and Sections 3 and 5 of BUDS Act, 2019 and Section 58(B)(i) of RBI Act, 1934 altered to Sections 420, 406, 409, 120-B, 201, 204, 109 r/w 34 of IPC and Section 5 of TNPID Act, 1997 and Sections 3, 5, 21(1), 21(2), 21(3), 23 and 25 of BUDS Act, 2019.

2. This is the seventh bail petition. Though the sixth bail petition of the petitioner in Crl.OP.No.26527 of 2024 was dismissed on 02.12.2024 by my learned predecessor, Hon'ble Mr. Justice P.Dhanabal, this petition is listed before this Court, pursuant to the orders passed by the Hon'ble Division Bench of this Court in Crl.O.P.No.31787 of 2024 on 04.03.2025.

3. (i) 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 on the 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.

(ii) It is further alleged by the prosecution that the petitioner who was working as an Additional Director of the first accused company had collected unregulatory deposits by involving 26 agents to the tune of Rs.10 Crores; that she was offered a commission at the rate of 5% with one gram cold coin for every Rs.1 Lakh collected by the agents; that she had earned huge money and had purchased a property, the guideline value of which is Rs.12,48,600/-; and that her accounts were used for the diversion of money collected as deposits from the public.

4. The learned counsel for the petitioner submitted that the petitioner was arrested on 25.05.2023; that the final report has already

been filed; that she has three children, of which one child suffers from a serious medical condition called 'febrile seizures'; that the trial is not likely to commence in the near future, since the prosecution is yet to secure the main accused who is now in Abu Dhabi, as the extradition proceedings are still pending; that though this is the 7th bail application of the petitioner, after the earlier dismissal, on 02.12.2024, this Court had granted bail to similarly placed co-accused and the particulars are as follows:

Sl.No.	Accused No.	Crl.OP.No.	Date of Order
1	A23	29950/2024	04.12.2024
2	A27	29320/2024	04.12.2024
3	A31	31368/2024	03.01.2025
4	A28	30764/2024	03.01.2025
5	A30	30283/2024	03.01.2025
6	A24	29877/2024	09.01.2025
7	A25	30840/2024	09.01.2025
8	A35	32337/2024	20.01.2025

Therefore, considering the period of incarceration and the aforesaid facts, he sought for bail.

5.(i) The learned Additional Public Prosecutor opposed the petition for bail stating that the petitioner's involvement is different from that of the co-accused who are granted bail; that the petitioner had not only canvassed deposits for the company to the tune of Rs.42,72,20,000/- from 1723 depositors, but she had also collected Rs.10 Crores from 320 depositors directly; that the petitioner had further received a sum of Rs.4 Crores after the registration of the FIR, from the co-accused A7 Deepak Govind Prasad initially and a further sum of Rs.3.75 Crores through her husband.

(ii) The learned Additional Public Prosecutor also filed a counter of the respondent in which it is stated that the petitioner unlike the other Directors, who were granted bail was a trusted person of the prime accused/A9 and she is aware of all his financial transactions and hence, the earlier bail petition was dismissed by this Court. The learned Additional Public Prosecutor also relied upon the judgment of the Hon'ble Supreme Court in ***Y.S. Jagan Mohan Reddy v. Central Bureau of Investigation,*** reported in **2013 (7) SCC 439** in support of the submission that in cases of this nature, the Courts must be cautious and should not apply the regular principles relating to grant of bail.

(iii) The learned Additional Public Prosecutor also submitted that further investigation is pending to ascertain and locate the concealed money by the petitioner, to secure the absconding prime accused/A9 and his wife/A15 and also to identify the Binami properties of the petitioner so that the government can attach those properties.

6. This is the seventh bail petition, filed before this Court. The 4th bail application was dismissed by the Hon'ble Mr.Justice C.V.Karthikeyan on 25.06.2024 in Crl.OP No.10920 of 2024. The 5th and 6th bail petitions were dismissed by Hon'ble Mr.Justice P.Dhanabal on 27.09.2024 and 02.12.2024 in Crl.OP.Nos.17872 and 26527 of 2024, respectively.

7. The petitioner is in custody from 25.05.2023. It is not in dispute that the petitioner has three children. As stated earlier, some of the co-accused were released on bail after dismissal of the earlier bail petition filed by this petitioner. While considering the bail application of one Sasikumar/A24, who was instrumental in collecting the deposits to the tune of Rs.142 Crores, the Hon'ble Mr.Justice C.V.Karthikeyan vide

orders dated 09.01.2025, had made the following observations.

> "6.Taking into consideration the nature of allegations levelled against this petitioner that acting as a Manager of Aarudhra Gold Trading Company at Thiruvallur Branch, he was instrumental in collection of deposits to a sum of Rs.142/- Crores and had also transferred a sum of Rs.101,39,66,798.16/- to the main accused, the Court will now have to balance these facts with the fact that the petitioner had been suffering incarceration for more than one year and seven months and that investigation so far as his role is concerned has been completed. The Court will therefore have to focus as to whether it would be probable for the petitioner to abscond from judicial process and tamper witnesses or hamper the investigation.
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> 7.With respect to possibility of tampering of witnesses, it must be stated that the witnesses are primarily those who have invested amounts in the company and they would certainly be interested in ensuring that the charges against the main accused are proved beyond reasonable doubt and that they would not be swayed by any promise extended by the accused persons. With respect to hampering of the investigation process, it must be stated that investigation so far as the role of this petitioner is concerned had been completed and therefore, the possibility of interfering with the investigation would not arise. With respect to the possibility of the petitioner absconding from judicial process, necessary safeguards can be put in place to ensure that the petitioner is available at all times required by the respondent or during the course of trial of the case."

8. Further investigation according to the respondent is pending for arresting the absconding prime accused/A9 and his wife/A15 besides

identifying the properties of the petitioner. The petitioner as stated earlier has been in custody for almost one year and 10 months. Though the extradition proceedings for the prime accused even according to the respondent commenced on 30.10.2023, after he was arrested by the NCB, Abu Dhabi on 30.10.2023, he has not been extradited so far. In such circumstances, the possibility of commencing the trial, leave alone its conclusion, in the near future is remote. The reasons assigned by this Court while granting bail to A24/Sasikumar, which is extracted above would therefore squarely apply to the petitioner as well, as in that case, A24 according to the prosecution was instrumental in collecting deposits to the tune of Rs.142 Crores.

9. Therefore, taking into consideration all the aforesaid factors, this Court is of the view that further custody of the petitioner is not required for the purpose of the further investigation which is said to be pending by the respondent and is inclined to grant bail to the petitioner with certain conditions.

10. Accordingly, the petitioner is ordered to be released on bail on

her executing a bond for a sum of **Rs.50,000/- (Rupees Fifty Thousand only)** with **two sureties**, each for a like sum to the satisfaction of the **Special Court under TNPID Act, 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 petitioner shall report before the respondent police daily at 10.30 a.m., until further orders;

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

[d] the petitioner shall not tamper with evidence or witness either during investigation or trial;

[e] On breach of any of the aforesaid conditions, the learned 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];***

[f] If the accused thereafter absconds, a fresh FIR can be registered under Section 269 B.N.S.

13.03.2025

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SUNDER MOHAN., J.

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To

1. The Special Court under TNPID Act,
   Chennai.

2. The Additional Superintendent of Police,
   Economic Offences Wing,
   Headquarters, Ashok Nagar,
   Chennai – 600 083.

3. The Superintendent,
   Special Prison for Women, Puzhal, Chennai.

4. The Public Prosecutor,
   High Court of Madras.

Pre-delivery order in
Crl.O.P.No.4563 of 2025

(1/2)

13.03.2025