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Crl.O.P.Nos.7162 & 9950 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 15.07.2025
PRONOUNCED ON : 05.08.2025

CORAM

THE HONOURABLE MR.JUSTICE M.NIRMAL KUMAR

Crl.O.P.Nos.7162 & 9950 of 2025

Crl.O.P.No.7162 of 2025

B.Balamurugan

... Petitioner

Vs.

The State rep. by
The Inspector of Police,
EOW, Ashok Nagar,
Chennai.
(Crime No.15 of 2024)

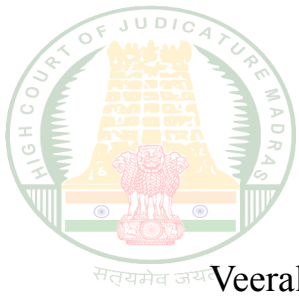
... Respondent

PRAYER : Criminal Original Petition is filed under Section 483 of BNSS, to enlarge the petitioner on bail in C.C.No.11 of 2024 pending on the file of the learned Special Judge, TNPID Court.

For Petitioner : Mr.R.Vivekananthan

For Respondent : Mr.R.Vinothraja
Government Advocate (Crl. Side)

Crl.O.P.No.9950 of 2025



Crl.O.P.Nos.7162 & 9950 of 2025

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Veeralakshmi

... Petitioner

Vs.

The State rep. by
The Deputy Superintendent of Police,
EOW, Chennai.
(Crime No.15 of 2024)

... Respondent

PRAYER : Criminal Original Petition is filed under Section 483 of BNSS, to enlarge the petitioner on bail in C.C.No.11 of 2024 pending on the file of the Special Court under TNPID Act, Chennai.

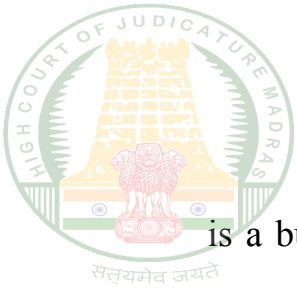
For Petitioner : Mr.S.Senthilvel
for Mr.N.Sudharsan

For Respondent : Mr.R.Vinothraja
Government Advocate (Crl. Side)

COMMON ORDER

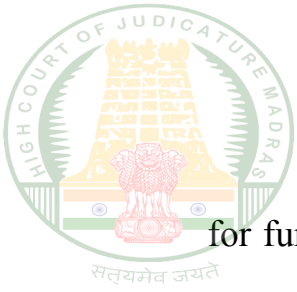
The petitioners/A3 and A2 in C.C.No.11 of 2024, arrested and remanded to judicial custody on 03.09.2024 and 28.08.2024 respectively, for the offence punishable under Sections 406, 409, 420 IPC and Section 5 of Tamil Nadu Protection of Interests of Depositors (in Financial Establishments) Act [TNPID Act], seek bail.

2.The contention of the learned counsel for the petitioner/A2 is that it



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is a business transaction with the defacto complainant and other victims in this case which is projected as though the petitioner/A2 collected deposits and thereby projecting a default in payment of rental and lease amount as a scheme of deposit and invoking Section 5 of TNPID Act would not arise. It is submitted that in this case the first accused is Sun Homes Property management and Development, petitioner/A2 is the Proprietor, A3 and A4 are the employees. It is projected that the petitioner entered into a rental agreement with the property owners in various parts of the City, rental agreement executed with the property owners and they were regularly paid the assured amount. On the other hand, the rented properties were leased out to the lessees for higher amount as per the lease agreement. The petitioner regularly paying the rental amount to property owners. Since there was spokes in the financial cycle of the business, the agreed rental amount could not be paid as promised. The lessees are still in possession of the property and enjoying rent free accommodation. Now the property owners forced the lessees to vacate the property and hence, a civil dispute between the petitioner and the property owners and the lessees now given a criminal colour, the petitioner was arrested and he is in jail. It is further submitted that after filing of the final report, petition under Section 173(8) Cr.P.C. filed



for further investigation which would clearly prove that without completion of investigation in a hurried manner charge sheet filed to deny the petitioner's statutory right for bail and the respondent has not come up with a clear case against the petitioners. Hence, prayed for bail.

3.The contention of the learned counsel for the petitioner/A3 is that he is the employee in A1 firm and he was projected as though he is the husband of A2. The petitioner/A3 was married to one Radha on 29.08.2014 and they were blessed with a girl child on 13.11.2017. In support of his contention, the petitioner/A3 produced the marriage invitation and the birth certificate of his daughter. The petitioner/A3 is not the husband of A2 and he has been falsely implicated in this case. Further, the petitioner/A3 filed an affidavit stating that A3 and A2 have jointly owned a property which was mortgaged with Fullerton India Home Finance Company for a sum of Rs.31,00,000/-, they have already repaid substantial amount and only Rs.7,00,000/- remaining to be paid. If bail is granted, this amount can be paid and the property can be brought on auction and substantial amount can be paid to the victims in this case. Hence, prayed for bail.



4.The learned Government Advocate (Crl. Side) filed his counter and

submitted that during the course of investigation it is ascertained that the A4/Devaraj is the Manager of the accused company "SUN HOMES PROPERTY MANAGEMENT & DEVELOPMENT". The accused A2/Veeralakshmi, A3/Balamurugan and A4/Devaraj (Manager) colluded themselves and planned to cheat innocent house owners and lessees. Further, in the name of A1/SUN HOMES PROPERTY MANAGEMENT & DEVELOPMENT Company, they had been taking house for rent by entering into a rental agreement with the house owners and these properties let out in lease to the lessees for higher sum, made agreement with the lessees and collected huge deposit as lease amount, diverted these amounts in other business and swindled the amount and defaulted to return the money to the house owners and lessees as per the agreement. The aggrieved house owners attempted to get back their houses and the lessees waiting to get back the deposited lease amount, all ended in vain, since the accused misappropriated the amount and absconded. Hence, they approached the Tambaram Commissioner office for getting relief, their representations forwarded to EOW and case registered. Further it is ascertained that the accused cheated totally to a tune of Rs.8,35,05,475/- from 121 Lessees and 55 house owners.



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All the three accused arrested on 03.09.2024 and then sent to judicial custody on 04.09.2024. The Petitioner/A-3 was arrested on 03.09.2024 at 16.30 hrs and taken to EOW Headquarters and recorded his voluntary confession. Two Cell phones recovered from him and then sent to judicial custody on 04.09.2024. Further the petitioner/A2-Balamurugan was taken into police custody for 3 days along with other accused and interrogated and based on his confession one two-wheeler and one four-wheeler recovered. A2/Veeralakshmi and A3/Balamurugan both running Sun Finance, Sun Cars, Sun Builders and Sun Bars using the amount swindled from the innocent lessees and purchased immovable properties in the name of A2 and A3. The petitioner/A3 built a house for his younger brother in the name of Sun Builders. A2 and A3 had acquired properties, bought several properties and also built a luxurious house with swimming pool, home theatre in the name of A2. Further A3 had diverted more than Rs.1 Crore as loan to other persons and A3 running liquor bar and second-hand car buying selling company with the money swindled from the innocent house lessees and committed the offence.

5.The learned Government Advocate (Crl. Side) further submitted that



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A3 along with A2 and other accused in a well planned manner projected a scheme, diverted the money, misappropriated and cheated innocent customers. A3 and A2 jointly planned to do this offence and did the offence with the help of the accused A4/Devaraj. A3 is the master mind behind the whole scheme. A3 and A2 living as husband and wife, which is evident from the following documents;

- a) Property sale Deed No. 1295/2018 Tr.Kannan, S/o.A.Rajagopalan, Adambakkam, Chennai and i). M.Balamurugan, ii). Veeralakshmi.
- b) Property sale deed No.15636/2023 - made between Tmt.K.Vanaja, W/o.R.Kannan and i). M.Balamurugan, ii). Veeralakshmi.
- c) Property sale Deed No.13516/2020 made between Tmt.P.Kanchana, W/o.Tr.Panneer Selvam and i). M.Balamurugan, ii). Veeralakshmi.

6.A2/Veeralakshmi and A3/Balamurugan jointly buy/sell all the properties and all the documents clearly explicitly declared that accused A2/Veeralakshi is the wife of A3/Balamurugan. Further the rental agreements made between Tr.S.Karunakaran, S/o. Tr.K.Shanmugam and Mrs. Veeralakshmi, W/o.B.Balamurugan confirms A3 is the husband of A2.



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They jointly committed the offence in a well-planned manner. He further submitted that enquiry conducted and recorded 180(3) BNSS statement of 90 victims and collected the supporting documents and filed the charge sheet U/s. 193(3) of BNSS before the TNPID court on 29.11.2024 for a default and cheated amount of Rs.4,44,50,500/- and the same taken on file in CC.No.11/2024. The copies of the charge sheet furnished to the accused on 07.03.2025 and the next hearing was on 04.04.2025. He would further submit that further investigation u/s.173(8) Cr.P.C is being pursued to identify the discredited properties accumulated by the accused. The further investigation of this case is continued u/s 193(9) for the following reasons:

- (1) To retrieve the huge amount of cash concealed by the accused of this case.
- (2) To identify the properties of the accused and to proceed for attachment by the Government.
- (3) Examining more victim depositors and other connected witnesses.

7. In support of his contentions, the learned Government Advocate (CrI. Side) relied upon the following decisions:



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- (1) *Y.S.Jagan Mohan Reddy vs. Central Bureau of Investigation reported in 2013 (7) SCC 439*
- (2) *State of Gujarat vs. Mohanlal Jitamaji Porwal reported in 1987 SCC 364*
- (3) *Vinod Bhandari vs. State of Madhya Pradesh reported in (2015) 11 SCC 502*
- (4) *Sohan Singh Rao vs. Union of India reported in (2022) SCC Online Raj 1464*
- (5) *Nimmagadda Prasad vs. Central Bureau of Investigation reported in (2013) 7 SCC 466*
- (6) *Serious Fraud Investigation Officer vs. Nittin Johari and another reported in (2019) 9 SCC 165.*

Hence strongly opposed the bail applications.

8.Considering the submissions made and on perusal of the materials, it is seen that there are totally four accused in this case. A1 is the Firm, A2 is the Proprietor, A3, husband of A2 and the man behind the entire operations of A1, A4 is the Manager of A1 Firm. The petitioners A2 and A3 were running the firm, both entered into a rental agreement with 55 property owners for 121 houses for a monthly assured sum and thereafter leased out the houses to 121 lessees and collected a sum of Rs.8,55,05,475/-. Initially, they were paying some amount to the property owners to gain confidence



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and thereafter they failed to pay the agreed amount. Likewise, when the lessees intended to cancel the lease agreement, they were not paid back the lease amount. Now, on the one hand the property owners are denied of their property and on the other hand, each of the lessees lost their hard earned money of several lakhs. Thus in a deceitful manner the petitioners cheated, misappropriated both property owners and lessees by devising a scheme and in a schemic manner committed cheating and misappropriation. The further investigation is primarily to locate the properties discredited by the petitioner and to unearth the money parked in safe places, so that attachment of those properties can be made and paid back to the innocent victims. Further, from the affidavit filed by A3, it is confirmed that A2 and A3 are legally wedded husband and wife and they purchased properties jointly. In view of the above, this Court is not inclined to grant bail to the petitioners.

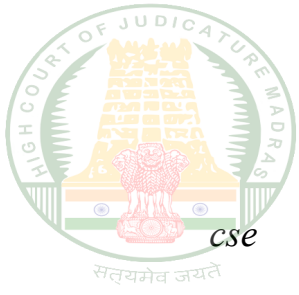
9. Accordingly, the Criminal Original Petitions stand dismissed.

05.08.2025

Speaking Order/Non Speaking Order

Index : Yes/No

Neutral Citation: Yes/No



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- 1.The Inspector of Police,
EOW, Ashok Nagar,
Chennai.
- 2.The Deputy Superintendent of Police,
EOW, Chennai.
- 3.The Public Prosecutor,
Madras High Court.



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M.NIRMAL KUMAR, J.

cse

Pre-delivery order made in

Crl.O.P.Nos.7162 & 9950 of 2025

05.08.2025