IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on: 19.08.2025	Delivered on: 01.09.2025

CORAM

THE HONOURABLE Dr.JUSTICE G.JAYACHANDRAN

Crl.O.P.No.8860 of 2025

M.Soundararajan. Aged 66 years,
S/o.S.Muthualagu,
Door No.26/48, Bharathi Nagar,
Bharathi Salai, New Perungalathur,
Chennai – 600 048. ... Petitioner/Accused No.4

Vs.

The State Represented by its:
The Deputy Superintendent of Police,
Economic Offence Wing – HQRS,
Ashok Nagar, Chennai – 600 083 ... Respondent/Complainant

Prayer: Criminal Original Petition filed under Section 483 of *Bharatiya Nagarik Suraksha Sanhita,* 2023, pleased to enlarge the petitioner on bail in C.C.No.10 of 2023 on the file of Special Court for TNPID Act, Chennai.

For Petitioner : Mr.J.Arokhiaraj

For Respondent : Mr.R.Muniyapparaj, APP,
Assisted by Mr.M.Sylvester John

For Intervener : Mr.D.Selvam

ORDER

The petitioner, who was arrested and remanded to judicial custody on 17.02.2023, for the offence punishable under Sections 34, 109, 120B, 409 and 420 of I.P.C., Section 5 of TNPID Act, 1997 and Sections 21(3), 22, 23, 24 and 25 of Banning of Unregulated Deposit Schemes Act, 2019, in Crime No.21 of 2022, registered on the file of the respondent, seeks bail.

2. On the complaint dated 08/11/2022 received from Mrs.Nithya W/o.Anbarasan, the Economic Offence Wing (EOW), Chennai had registered case, in Crime No.21/2022, under Sections 120(B), 409, 420, 109 r/w 34 IPC and Section 5 of TNPID Act, 1997 and Sections 21(3), 22, 23, 24 and 25 of BUDS Act, 2019.

3. On completion of investigation, final report filed against two Companies and 39 individuals, for the offences under Section 120(B), 409, 420 r/w 109 r/w 34 of I.P.C., Section 5 of TNPID and Section 21(3), 22, 23, 24 and 25 of Banning of Unregulated Deposit Schemes Act, 2019 and later altered to Sections 120(B), 468, 471, 420 & 409 r/w 109 of I.P.C and Section 5 of TNPID Act, 1997 and Section 21(1), 21(2), 21(3), 23, 25 of BUDS, Act. So far, 32 accused persons were secured and 6 accused are absconding. The case is pending in C.C.No:10/2023 on the file of the Special Court for TNPID cases at Chennai.

4. This petitioner is arrayed as 4th accused in the above case. On coming to know that he is wanted in the above case. He surrendered before the respondent police on 17/02/2023. All his earlier bail petitions were dismissed by the Trial Court as well as the High Court and Supreme Court. This is the 7th bail petition before the High Court. Though, the Hon'ble Supreme Court dismissed his SLP, with costs for filing recurring bail petitions, citing change of circumstances, the present petition is filed.

<u>5. Gist of the final report:-</u>

Mrs.Nithya W/o.Anbarasan, who is the complainant in Crime No.21/2022, dated 15/11/2022 had informed that, she came to know about M/s.Golden Hijau Associates Private Limited Company from one Viswanathan of ICF, that they offered 15% interest per month for deposit of Rs.1,00,000/- and incentive of Rs.2000/- for every new depositors introduced. Hence, she deposit Rs.15,00,000/- also made her friends and relatives to invest in the scheme. The money was collected through firms by name 5G Agro Products and Ram Agro Products. Till July 2022, they promised interest was paid to the depositors through App. Later they stopped paying the interest and on enquiry she came to know that, the said Hijau Associates operated by Directors and Board Members by appointing Presidents and Vice Presidents had collected about 34 crores from about thousand persons and fled to Malasiya.

6. The investigation done on the above said complaint has revealed that, M/s.Hijau Associates Private Ltd., got registered at Registrar of Companies, Chennai on 28.12.2017. Alexander (A-3); Soundarajan (A-4) and Mahalakshmi, D/o.Parandhaman (A-5) were its promoters with 12 Directors. To screen and camouflage collection of deposits and circumvent the RBI and SEBI regulations pertaining to collection of deposits by Non-Banking Finance Institutions, 22 Associate entities by name, (1) Aryan Food Industries; (2)ShiridiSai Agencies; (3) Naganathan Traders; (4)Sri Marimuthu Enterprises; (5)VSN India Agro Products; (6)RMK Bros Agro Products; (7)SG Agro Products; (8)Ram Agro Traders; (9)Bhakyalakshmi Agro; (10) Sai Lakshmi Enterprises; (11) Varada Vinayakaa Agro Enterprises; (12) Alif Agro Plus; (13)Aruvi Associates; (14) MST Agro Traders; (15)Sree Ram Agro Enterprises; (16)Nisarga Agro; (17)Kamadhenu Agro; (18) WellGrowth Agro Products; (18) WellGrowth Agro Products; (19) Green Grow Enterprises; (20) Blessy Agro;

(21) APM Agro; and (22) Suruthi Baba Agro Enterprises were started. By creating a website through www.mypayhm.com, deposits were collected from about 89,043 persons to a tune of Rs.4414,44,22,350/-. So far about 30,292 complaints received alleging cheating to a tune of Rs.1620 crores.

7. Case of the petitioner:-

His son Alexander inducted him as Chairman in the Company by name M/s.Hijau Associates Pvt Ltd. He is not an educated person to know about the functioning of a Company and its nuances. He had no authorisation to deal with the financial aspect of the Company. His association with the first accused company came to an end in the year 2022. He was paid salary for lending his name as Chairman of the Company. He did not involve in marketing or canvassing deposits. He was a sleeping partner in the second accused LLP. It was only his son administering the Company and its financial aspects as its Managing Director. The prosecution has wrongly projecting as if more than 4400 crores cheated from more than 30,000 depositors. Whereas, the said figure is based on data source projected. In fact, the deposit received is only 139 crores and the respondent police had already recovered Rs.10 cores of laying the bank account and properties worth 98 crores recovered and attach. He is in prison for more than 25 months.

8. As a change of circumstances, the petitioner claims that his eye sight is deteriorating. Medical emergency requires sufficient care and treatment.

9. The learned counsel appearing for the petitioner, relying upon the judgment of the Hon'ble Supreme Court in *(1) Shri Chidambaram v. CBI; (2)Arvind Kejriwal v. CBI ; (3)Satender Kumar Antil v. Central Bureau of Investigation and another; (4)Sheikh Javed Iqbal @ Ashfaq Ansari @ Javed Ansari v. State of Uttar Pradesh; (5)Sanjay Chandra v. CBI; (6)Manish Sisodia v. Directorate of Enforcement; and (7)V.Senthil Balaji v. Deputy Director, Directorate of Enforcement,* prays for bail on the ground that the petitioner had been in prison for a long incarceration and the trial in the case yet to be commenced.

10. Objection from the prosecution:-

The investigation has disclosed that, during the relevant period of crime, this petitioner and his son A3/Alexandar have acquired movable and immovable properties out of the ill-gotten money. The efforts are being taken for ad interim attachment of the identified properties and to identify those which may be concealed through malafide transaction or benami transactions. It is a case of economic offence of huge magnitude of around Rs.1620 crore is involved and even the properties identified for attachment is not sufficient for his liability and the petitioner is stated to be a key person. Considering the gravity of the offences committed by the petitioner and also his subsequent conduct of not cooperating for investigation, it is submitted that he shall not be enlarged on bail.

11. Further, it is submitted that, 260 bank accounts of accused and suspect persons were seized so far, but the amount freezed is only to the tune of Rs.10 crore. The amount received through the bank accounts of the accused companies to the tune of Rs.340 crores and its sister concerns were circumvented and layered among themselves. Subsequently, the money trail of those bank transactions is being done and will be retrieved as earlier.

12. During the relevant period of crime, A4/Soundarajan this petitioner and his son A3/Alexandar (absconding) have acquired several movable and immovable properties out of the ill-gotten money. Efforts are being taken for ad interim attachment of the identified properties and to identify those which may be concealed through malafide transaction or benami transactions. It is a case of economic offence of huge magnitude of around 1620 crore rupees and even the properties identified for attachment is not sufficient for his liability and the petitioner is stated to be a key person.

13. Considering the gravity of the offences committed by the petitioner and also his subsequent conduct of not cooperating for investigation, it is submitted that he shall not be enlarged on bail. 260 bank accounts of accused and suspect persons were seized so far, but the amount freezed is only to the tune of 10 crore rupees. The amount received through the bank accounts of the accused companies to the tune of Rs.340 crores and its sister concerns were circumvented and layered among themselves. Subsequent money trial of those bank transactions is being done and will be retrieved as earlier.

14. A registered Society by name Hijau Victims Nala Sangam has filed a petition to intervene in the bail application. The Learned Counsel for the intervener submitted that the bail should not be granted in view of the gravity of the offence and quantum of money cheated from more than 1000 gullible public.

15. Heard the Learned Counsels for the petitioner, Intervenor and the Learned Additional Public Prosecutor.

16. The *modus operendi* of the accused persons in this case, as revealed from the records and the submission of the public prosecutor, is as below:-

M/s.Hijau Associates Private Limted and M/s Hijau Agro LLP are the two financial institutions promoted by Sounderajan, his son Alexander and his daughter-in-law Mahalakshmi, W/o Alexander. Claiming as owners of oil fields in Malaysia and holder of export orders from 6 countries, they had prepared promotional videos and through agents had propagated that the depositors will be given interest of 15% per month and additional incentive as level commission, if they are able to get more deposits from others. Further, for some of them they have promised that they will be made as Directors/President/Vice President of the company. Both virtual and physical meetings at Star Hotels were conducted and public were made to invest their money by the impressive speech of the accused persons.

17. Further, the investors were also made to believe that their deposits will be invested in the Firms dealing in Agro Products, which will be yielding high returns. For the said purpose, 22 unregistered Firms were floated in the name of different persons, who are known to A-3 to A-5 and they were also made as Directors or President/Vice President of the A-1 and A-2 company. The money deposited in the accounts of these 22 Firms through App, were transferred to the account of A-2 company. Later, the money been withdrawn and laundered by A-3 to A-5 after paying commission to the persons, who were designated as Directors and the Proprietors of the shell Firms. By floating the Shell Firms, the accused persons were able to screen their act of collecting deposit without permission from RBI and SEBI. They have also created records as if they are trading in Agro products. For the sales and service declared fake accounts and paid GST. Award ceremonies and public functions with high dignitaries were organised by the accused persons as if they are upcoming entrepreneurs and the depositors will not only be paid an astronomical rate of interest, but also be made as part of the Company and its share holders. They have also advertised that the private limited company is to become a public limited company by name M/s Hijau Fresh Limited and steps taken for the conversion.

18. This Court finds that, all other accused persons as well as the depositors (intervener) invariable point to this petitioner A-4 as the prime accused. They had confessed how they were misled by this petitioner, his son and daughter in law by their advertisement and speech. Photographs of this petitioner and his absconding son along with high dignitaries getting awards and accolades placed before this Court to show that the petitioner was not a dormant Chairman.

19. The health record of the petitioner and the treatment given to him also clearly indicate that there is no medical emergency which requires release of the petitioner on bail. The conduct of the petitioner who had created record as if, he is relieved from Chairmanship and fled to Malaysia shows his propensity to abscond after getting bail on medical ground.

20. Therefore, this Court is of the view that the petition for bail deserves to be dismissed.

21. Accordingly, this Criminal Original Petition No.8860 of 2025 is dismissed.

01.09.2025

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

2. The Deputy Superintendent of Police,
Economic Offence Wing – HQRS,
Ashok Nagar, Chennai – 600 083.
3. The Central Prison, Puzhal, Chennai.
4. The Public Prosecutor, High Court of Madras.

Dr. G.JAYACHANDRAN, J.

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Pre-delivery order made in
Crl.O.P.No.8860 of 2025

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