IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.06.2025

CORAM

THE HONOURABLE MR.JUSTICE M.NIRMAL KUMAR

Crl.O.P.Nos.15090 & 15430 of 2025

T.P.Arun Kumar ... Petitioner in Crl.O.P.No.15090 of 2025
Kannan ... Petitioner in Crl.O.P.No.15430 of 2025

Vs.

State rep. by
The Inspector of Police,
Delta-I, Cyber Crime Police Station,
Central Crime Branch,
Chennai.
(Crime No.313/2024). ... Respondent in Crl.O.P.No.15090 of 2025

State rep. by
The Inspector of Police,
Cyber Crime Police Station,
Delta-I, Vepery, Chennai.
(Crime No.313 of 2024). ... Respondent in Crl.O.P.No.15430 of 2025

PRAYER in Crl.O.P.No.15090 of 2025: Criminal Original Petition is filed under Section 483 of BNSS, to enlarge the petitioner on bail pending investigation in the above Crime No.313 of 2024 on the file of the The Inspector of Police, Delta-I, Cyber Crime Police Station, Central Crime Branch, Chennai.

PRAYER in Crl.O.P.No.15430 of 2025: Criminal Original Petition is filed under Section 483 of BNSS, to enlarge the petitioner on bail pending investigation in connection with Crime No.313 of 2024 on the file of the respondent Police.

For Petitioner in Crl.O.P.No.15090 of 2025	:	Mr.S.Thiruvengadam
For Petitioner in Crl.O.P.No.15430 of 2025	:	Mr.D.Vivekanandan
For Respondent in both petitions	:	Mr.L.Baskaran, Government Advocate (Crl. Side)

COMMON ORDER

The petitioners, who were arrested and remanded to judicial custody on 12.04.2025 & 14.04.2025 respectively, for the offence punishable under Sections 316(2), 318(4) of Bharatiya Nyaya Sanhita, 2023 r/w Section 66D of Information Technology (Amendment) Act in connection with Crime No.313 of 2024 on the file of the respondent, seek bail.

2.The gist of the case is that the defacto complainant lodged a complaint that he was cheated to the tune of Rs.90,77,800/- under the guise of Online Trading. Based on his complaint, FIR registered on 02.12.2024 in Crime 313 of 2024 for the offence under Sections 316(2), 318(4) of Bharatiya Nyaya Sanhita, 2023 (BNS Act) r/w. Section 66D of Information Technology Act, 2000. The petitioners and others have induced various gullible public including the defacto complainant to invest in online trading app and thereby cheated several Crores of rupees. The defacto complainant was cheated by one fake trading app in the name and style of 'KOTAK SECURITIES'. The defacto complainant downloaded the said App and started trading on that platform from 07.08.2024 and he invested funds by transferring money from his savings bank account and also from his wife's bank account to the fraudulent app account for a total sum of Rs.90,77,800/- in 31 multiple transactions to various bank account of different account holders in various States of India from 06.08.2024 to 30.08.2024. Later the defacto complainant noticed some irregularities and discrepancies in his account and he reported about those in Unknown Whatsapp Group in connection to the App and contacted those persons, they trapped the defacto complainant and criminally intimidated him from 26.08.2024 to 28.08.2024, thereafter complaint was lodged on 09.09.2024. The defacto complainant is a Professor and Researcher by profession and started to work consistently to trace the suspects and started to approach the Banks involved in the offence, collected the transaction details of account holders and sorted out a list of suspects and his findings and observations were submitted to the Cyber Wing Police. The petitioners are verified P2P Trader doing business in Online, after obtaining KYC norms, using trading app named BINANCE which is operated in India. Later it was found that the amount traded converted from Indian currency to Crypto currency, thereby converting Indian funds to foreign countries and the petitioners receiving a commission of 25% on the amount transacted and finally parked the amount safely in crypto currency elsewhere. Hence, the case registered.

3.The contention of the learned counsel for the petitioner/A1 is that out of 31 transactions alleged by the defacto complainant, no amount was transferred to the account of the petitioner/A1. Further, the petitioner/A1 had no transaction with the defacto complainant at any point of time. In this case, Kotak Securities Limited issued a public advisory to warn the investors about any ongoing scam in social media platform. The unethical individuals and groups have been leveraging both Indian and International mobile numbers to engage in fraudulent activities. These scammers falsely claim affiliation with reputable financial institutions like Kotak Securities and show counterfeit certificates. The lure of individuals for high returns, have utilized these trading platforms and got cheated, for which petitioner/A1 is alleged to be the reason.

4.The contention of the learned counsel for the petitioner/A2 is that the petitioner is engaged in legal trading activities, namely, BINANCE, after completing proper KYC norms. He would submit that no amount was deposited by the defacto complainant to the account of the petitioner/A2. There is no transaction between the defacto complainant and the petitioner/A2 at any point of time. The petitioner is not even aware as to who the defacto complainant is. He would further submit that the defacto complainant in his complaint, a detailed one, could not produce any material to show as to how the petitioner/A2 is involved in his transaction and what is the role played by the petitioner/A2.

4.In this case, the petitioners/A1 and A2 are in prison for almost 51 days. The respondent police are in possession of all the details, electronic documents and other particulars of the petitioners and further detention of the petitioner is not required. Further, the petitioners got permanent residence and deep social roots and they shall abide by any condition.

5.The learned Government Advocate (Crl. Side) submitted that a complaint was received from Dr.G.Moorthy, who is the defacto complainant who lodged an Online financial fraud complaint and who have been a victim due to fake trading app in the brand name of Kotak Securities where he lost a sum of Rs.90,77,800/-. On verification, it is found that the defacto complainant was deceived by fraudulent instructions and the defacto complainant periodically invested funds by transferring money from his savings bank account from Indian Overseas Bank to the fraudulent bank account and also from his wife bank account from Tamil Nadu Mercantile Bank accounts. When the defacto complainant attempted to withdraw the hard earned money which he had deposited, he realized that he had been cheated and it was a scam. He would further submit that during the course of investigation, the money trail of the fraudulent transactions reveal that the defacto complainant transferred Rs.90,77,800/- to ten different account and it was further transferred to eight other accounts. Likewise the amount has been diverted and transferred through various layers. He further submitted that investigation is in progress and steps taken to collect further details, appropriate instructions have been given to the known Banks to freeze the account. He would further submit that if the petitioners were let out on bail, investigation would be scuttled and there is every possibility of the petitioners tampering the investigation. Further, in the counter the details of transactions and particulars of various bank accounts given. Further, the scam leads to international fraud. The amounts have been deposited, later transferred and used for USDT trading converting illegally obtaining Indian rupees into crypto currency and thereby converting Indian funds to foreign countries and the petitioners received commission upto 25% on these transactions. Now the monies have been safely parked as crypto currency and steps for retrieval of these amounts are being taken. Hence opposed the bail petitions.

6.Considering the submissions made and on perusal of the materials, it is seen that the petitioners are in prison for about 51 days. The complaint is a detailed one which gives all transaction particulars. The petitioners called for enquiry, electronic gadgets and trading platform details collected. The details of transactions and the money trail have been analyzed and appropriate instructions given to the Banks so far identified. The trail of money used in USDT trading converting them to crypto currency needs indepth investigation and with the cooperation of various stakeholders, the details can be collected and needs sustained investigation can lead to retrieval of lost money of the defacto complainant. The details of the petitioners including the electronic datas are being collected. The petitioners have come forward to submit all electronic data and records including gadgets and software applications used in these transactions. Hence, considering these facts and taking into consideration the period of incarceration, this Court is inclined to grant bail to the petitioners with certain conditions.

7.Accordingly, the petitioners are ordered to be released on bail on their executing a bond for a sum of Rs.10,000/- (Rupees Ten Thousand only) each with two sureties, each for a like sum to the satisfaction of the learned XI Metropolitan Magistrate at Saidapet, Chennai, and on further conditions that:

[a]the sureties shall affix their photographs and Left Thumb Impression in the Application for Surety ship [Judicial Form No.46 annexed to 'The Criminal Rules of Practice, 2019']. The learned Magistrate shall obtain a copy of any one of the identity proofs to ensure their identity;

[b]the petitioners shall report before the respondent Police daily at 10.30 a.m., until further orders;

[c]the petitioners shall make herself available for interrogation by a Police Officer as and when required;

[d] the petitioners shall produce all the electronic gadgets and electronic evidence to aid the investigation;

[e]the petitioners shall not directly or indirectly cause any threat to the de facto complainant and witnesses;

[f] the petitioners to give an undertaking that if required for being identified by witnesses during investigation or for police custody beyond

the first fifteen days, they shall comply to the directions as may be given by the Court in this regard;

[g]On breach of any of the aforementioned conditions, the learned Magistrate/Trial Court is entitled to pass appropriate orders against the petitioner in accordance with law as if the aforementioned conditions have been imposed and the petitioners 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)13 SCC 283];

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

04.06.2025

Speaking Order/Non Speaking Order
Index : Yes/No
Neutral Citation: Yes/No
cse
Issue order copy on 04.06.2025
Note :
1. Registry is directed to forthwith upload this order in the Official Website of this Court.
2. All concerned to act on this order being uploaded in Official Website of this Court without insisting on certified hard copies. To be noted, this order when uploaded in the official website of this Court will be watermarked and will also have a QR code.

To

1.The XI Metropolitan Magistrate at Saidapet,
Chennai.

2.The Sub Jail,
Saidapet, Chennai.

3.The Inspector of Police,
Delta-I, Cyber Crime Police Station,
Central Crime Branch,
Chennai.

4.The Public Prosecutor,
Madras High Court.

M.NIRMAL KUMAR, J.

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