IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 20.04.2026

Pronounced on : 24 .04.2026

CORAM

THE HON'BLE MR JUSTICE G.K. ILANTHIRAIYAN

CRL MP No. 16430 of 2025 in
Crl.A.No.1430 of 2023

P.Sadanand
S/o.PanjalaBikshapathi,
4-12, Maruthi Nagar, Makajgiri,
Hyderabad, Telengana.

..Petitioner(s)

Vs

State Represented by
Deputy Superintendent of Police,
Economic Offences Wing-II,
Guindy, Chennai - 32.

..Respondent(s)

Prayer: This petition is filed under Section 528 of BNSS to modify the condition imposed in para No.33(1) in Crl.MP.No.18955/2023 in Criminal Appeal 1430/2023 order dated 19.07.2024 and pass orders.

For Petitioner(s): M/s. Muthuchharan Sundresh
N.Sakthi Saravanan

For Respondent(s): Mr.L. Baskaran, Government Advocate

ORDER

This petition has been filed to modify the condition imposed by this court in para No.33(1) in Crl.M.P.No.18955/2023 in Criminal Appeal No.1430/2023 by an order dated 19.07.2024.

2. The case of the prosecution is that the 4th accused started 17 companies and devised four deposit schemes and in all the schemes the four accused had collected huge amounts from the general public by promising to give higher rate of interest. Thereafter they had committed default and failed to re-pay amount of the interest as promised by them. On the complaint the respondent registered a FIR and filed a final report after completing the investigation as against 34 accused persons. As per the final report there are totally 587 depositors. The accused 4 to 7 started a number of shell companies i.e A2,A3,A8 and A31 which were promoted by A2 to A4, A18 and A31 are bogus companies and the schemes for deposits were started only to cheat the general public , thereby they dishonestly misappropriated the public funds by portraying them as genuine. The fourth accused has appointed A9 to A14, A32 to A34 as Directors of his Shell companies and diverted public money to his own benefit and to the benefit of his family members who are also arrayed as accused A15 to A17. Accused A4 and A7 had showed their credentials educational background and past experience to induce the general public to invest in schemes of the first accused company namely is M/s Viswapriya (India) Ltd, A9 to A14 and A32 to A34 acted as authorised agents for A4. They collected huge money by promising that they will repay huge interest. The Shell companies were also used as layers to siphon off funds as loans and bogus transfers with a view to dishonestly misappropriate, fraudulently remove and conceal properties in various entities by purchasing immovable properties, shares and other assets for the benefit of

A4 and his family members i.e A15 to A17. Thereby all the accused had committed offence of criminal conspiracy of forgery for the purpose of cheating, dishonest misappropriation, fraudulent removal and concealment of property. They had collected money from 587 depositors under 3804 deposits which comes to the tune of Rs.47,68,92,011/- and they committed default by non payment of the matured amount of Rs.51,47,29,861/-. Therefore, they are charged and convicted for the offence u/s 120B r/w 420 of IPC, 406, 409 r/w 109, 468 and 471 of I.P.C and Section 5 of the Tamil Nadu Protection of Interest of Depositors. After full fledged Trial, the Trial Court convicted the accused. Aggrieved by the same, the petitioners have filed this petition. Insofar as the petitioner is concerned he is in incarceration from the date of Judgment till 20.11.2023. Aggrieved by the conviction and sentence imposed by the Trial Court the petitioner preferred an appeal in Crl.A.No.1430 of 2023. While pending appeal, the petitioner filed a petition in SOS in Crl.M.P.No.16430 of 2025 and this Court suspended the sentence on condition that the petitioner shall deposit a sum of Rs.2 crores to the credit of CC.6 of 2020 on the file of the Trial Court. On such deposit being made the petitioner the petitioner shall be released on bail by executing a bond for a sum of Rs.2,00,000/-. Further he was directed to appear before the Trial court on the first working day of every month at 10:30 a.m until further orders. However, the petitioner was not able to comply with the condition, since he was languishing in prison from the date of the Judgment and he was not able to mobilise such a huge amount. Hence this petition.

3 . The petitioner herein arrayed as A32 and he was convicted for the offence punishable under Section 5 of the Tamil Nadu protection of Interest of Depositors (in Financial Establishments) Act 1997, herein after called the "TNPID ACT" and Section 120(B) r/w 420, 420 and 406 of IPC and was sentenced to undergo rigorous imprisonment for 10 (Ten) Years for each count 4 times and to pay a fine of Rs.50,000/- (Rupees Fifty Thousand Only) each counts 4 times (446 x 50,000 x 4 times = 8,92,0000) under Section 5 of TNPID Act and U/s 120(b) r/w 420 of IPC to undergo rigorous imprisonment for 4 (Four) years 4 times and to pay a fine of Rs.10,000/- (Rupees Ten Thousand only) 4 times and U/s 420 to undergo rigours imprisonment for 4(Four) years imprisonment 4 times and to pay a fine of Rs.10,000/- (Rupees Ten Thousand Only) 4 times and U/s 406 of IPC to undergo rigorous imprisonment for 2 (two) years imprisonment 4 times and to pay a fine of Rs.10,000/- (Rupes Ten Thousand only) 4 Times. In default of payment of payment of fine, he was sentenced to undergo simple imprisonment for a further period of 6 months for each default. The total fine amount is Rs.8,93,20,000/- (8,92,00,000 + 1,20,000)-. A32 was ordered to pay a total fine of Rs.8,93,20,0000/- (Rupees Eight Crores Ninety Three Lakhs and Twenty Thousand Only). The sentence of imprisonment awarded to A32 was ordered to shall run concurrently for each counts and in each times (The sum of imprisonment is 10 years) . Aggrieved by the same, the petitioner preferred an appeal petition along with the petition for Suspension of Sentence.

4. The learned counsel for the petitioner vehemently contend that the petitioner became a Director for the Shell company only in the year 2014 whereas the offence took place in the year 2013. He further submitted that this Court has granted Suspension of Sentence to the similarly placed co-accused namely A34 in Crl.M.P.No.15086 of 2024 by an order dated 09.01.2025 in which this Court directed A34 to deposit a sum of Rs.5,00,000/- only. However, the petitioner could not come out on bail since he was not able to mobilise funds to comply with the condition imposed by this Court. He further submitted that the petitioner is also on the same footing as A34 and prays to modify the condition imposed on him.

5. The learned counsel for the intervenor submits that the petitioner/A32 had entered into criminal conspiracy with all the other accused persons without the knowledge of the depositors. He gave false representation and false promise with dishonest intention and cheated the innocent depositors. They had defrauded the depositors by non-payment of the interest amount. Insofar as petitioner is concerned, his liability is 8 crores and in his individual capacity also the fine amount payable is Rs.4,46,30,0000. Therefore, the Trial Court rightly convicted the petitioner and this Court imposed a condition to deposit a sum of Rs.2 crores at the time of passing orders in Suspending the Sentence.

Infact aggrieved by the said order, the petitioner preferred a modification petition before the Hon’ble Supreme Court of India and all the petitions were dismissed. Therefore, this petition is not at all maintainable , since the petitioner ought to have approached the Supreme Court of India, as the Hon’ble Supreme Court of India dismissed the petition seeking modification of the sentence imposed by this Court from the date of Order passed by this Court. i.e 19.07.2024.

6. The learned Government Advocate appearing for the state submitted that though the petitioner joined the company in the year 2008, he played a vital role in canvassing and collecting deposit from innocent depositors; that the Trial Court had imposed a fine of Rs.2,23,30,000 besides the sentence of imprisonment as stated above. Hence, the Trial Court had considered the role played by the petitioner and passed the order and there is no necessity to interfere with the same. Hence, prays to dismiss this petition.

7. . According to the prosecution and also on the submission made by the learned senior counsel appearing for the petitioner, it is revealed that the petitioner is arrayed as A32. A perusal of the entire charges revealed that the fourth accused is the master brain behind the entire crime. He started shell companies i.e., A2,A3,A18 to A31 and used the same as layers to siphon off

funds as loans and bogus transfers with a view to dishonestly misappropriate, fraudulently remove and conceal properties under various entities by purchasing immovable properties, shares and other assets ultimately for the benefit of A4 and his family members A15 to A17. All the staffs were inducted as Directors of the said bogus companies. Though the petitioner and other Directors canvassed the depositors to deposit money in the name of the Company, no single penny was deposited in the name of the petitioner or his family members. No amount was transferred to his personal account or to the account of his family members. According to the case of the prosecution, the petitioner canvassed on behalf of the Shell companies and received deposits. Though he had signed the receipts, the entire amounts were accounted to the credit of the Shell Companies.

8. The Trial Court concluded that asfar as A32 to A34 are concerned, they had joined as Directors after the offence had taken place. Further due to passage of time and the long period of incarceration of the petitioner even after passing orders in Suspension of Sentence, this Court is inclined to modify the sentence. Therefore, in view of the above facts and circumstances, this Court is inclined to modify the condition imposed in Para No.33(i) in Crl.MP.No.18955/2023 in Criminal Appeal 1430/2023 order dated 19.07.2024 as follows:

> " 33(1) The petitioner shall deposit a sum of Rs.5,00,000/-(Rupees Five Lakhs Only) to the Credit of C.C.No.6 of 2020 on the file of the Special Judge, Special Court under the Tamil Nadu Protection of Interests of Depositors(in Financial Establishments Act, 1997, Chennai and acknowledgement of such deposit shall be produced before the Special Judge.".

The Other conditions shall remain intact.

9. With the above observations this Criminal Miscellaneous Petition is ordered.

24.04.2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
smn
To.

1. The Special Court for Trial of TNPID Cases, Chennai.
2. The Deputy Superintendent of Police,
Economic Offences Wing-II, Guindy Chennai -32

2. The Public Prosecutor, High Court, Chennai.

G.K.ILANTHIRAIYAN, J.

smn

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