



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.06.2026

CORAM

THE HONOURABLE MRS.JUSTICE T.V.THAMILSELVI

CRL RC Nos. 2601 & 2603 of 2025

1. Sathoshpriyan
S/o.Bethusamy.
2. Sureshkumar
S/o. Bethusamy

Petitioners

Vs

1. The State represented by
Inspector of Police, Cuddalore DCP
P.S, Cr.No.07/2023

Respondent

CRL RC No. 2601 of 2025

PRAYER

To pass an order to set aside the Order dated 30.09.2025 made in CrI.M.P.No.9321 of 2025 in C.C.No.459 of 2025 on the file of the Learned Judicial Magistrate No.II, Cuddalore and allowing the Criminal Revision Petition and passes further suitable orders and thus render justice.

CRL RC No. 2601 of 2025

For Petitioner(s): Mr. K.S. Viswanathan,
Senior counsel,
for
Ali Hassan Khan
S.Lakshmipathy
D.Harirasudhan

For Respondent: Dr.C.E. Pratap,
Government Advocate (Crl. side)



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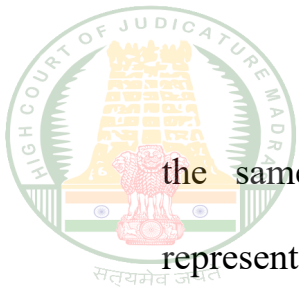
COMMON ORDER

This Criminal Revision Petition has been filed to to set aside the Order dated 30.09.2025 made in Crl.M.P.No.9321 of 2025 in C.C.No.459 of 2025 on the file of the Learned Judicial Magistrate No.II, Cuddalore.

2. The petitioners herein are arrayed as accused Nos. 6 and 7 (A6 and A7) in C.C. No. 459 of 2025. Before the learned Trial Court, both petitioners preferred an application under Section 262 of the Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023, seeking their discharge from the cases arising out of Crime No. 7 of 2023 in C.C. No. 459 of 2025. After hearing the objections preferred by the respondent, the Trial Court dismissed the said discharge application. Aggrieved by the order of dismissal, the petitioners have preferred these Criminal Revision Petitions

3. The brief facts of the case are as follows:

The de facto complainant was acquainted with accused No. 1 for a considerable period. Capitalising on this acquaintance, A1 and their family members, arrayed as accused Nos. 2 to 4 (A2 to A4) herein, approached the de facto complainant. They represented that they were operating a 'Diwali Chit' and other monthly chit schemes, inducing the de facto complainant to subscribe to



the same by promising substantial profit margins. Based on the false representations made by A1 to A4, the de facto complainant subscribed to various chit schemes run by A1's entity, namely 'Mookambikai Chit Funds Private Limited', and made various payments through both bank transfers and cash. From 08.01.2023 onwards, the de facto complainant repeatedly requested A1 to A4 to refund her maturity amounts. Despite these persistent demands, A1 to A4 failed to return the money, abruptly turned off their mobile phones, and became unreachable. Realising that she had been deceived, the de facto complainant preferred a complaint dated 24.03.2023 before the Superintendent of Police, Cuddalore, which was forwarded to the District Crime Branch (DCB), Cuddalore on the very same day. Consequently, a First Information Report (FIR) in Crime No. 7 of 2023 was registered by the DCB, Cuddalore on 24.03.2023 against A1 to A4 for offences punishable under Sections 420, 120B, and 406 of the Indian Penal Code (IPC).

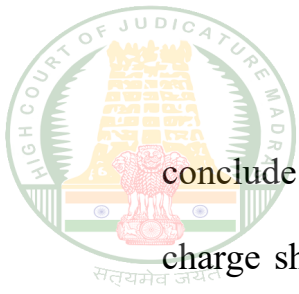
4. In the interim, several other individuals preferred similar complaints before the DCB Police, alleging that they were also cheated by Mookambikai Chit Funds Private Limited, run by A1 to A4, to the tune of Rs. 4,00,00,000/- (Rupees Four Crores only). Upon completing the investigation, the respondent police filed a final report/charge sheet against A1 to A4, including additional offences under Section 34 of the IPC and Section 76(1) of the Chit Funds Act, 1982. Crucially, despite not being named in the FIR or the initial allegations, the



petitioners herein, arrayed as A5 to A7, were subsequently implicated in the charge sheet for offences punishable under Sections 420 read with 120B and 34 of the IPC.

5. The respondent police filed the final report, which was taken on file as C.C. No. 459 of 2025 by the learned Judicial Magistrate No. 2, Cuddalore. Subsequently, the petitioners herein, who are arrayed as accused Nos. 6 and 7, preferred discharge applications in Crl. M.P. Nos. 9321 & 9334 of 2025 in C.C. No. 459 of 2025 on the file of the learned Judicial Magistrate No. 2, Cuddalore. The petitioners sought a discharge from the proceedings on the primary ground that there is an absolute absence of *prima facie* material against them, and that they have been falsely implicated in the case on the pretext of having committed offences punishable under Section 420 read with Sections 120B and 34 of the IPC.

6. The petitioners further contended that even at the time of lodging the initial complaint, there was a total absence of any whisper or allegation against them. Despite the complete lack of specific allegations in the complaint or any incriminating statements by witnesses attributing specific overt acts to them, they were falsely implicated as accused upon completion of the investigation. Furthermore, the prosecution has placed sole reliance on certain bank transactions between the petitioners and accused Nos. 2 and 3; however, these transactions involve meagre amounts and are legally insufficient to establish or



conclude that the petitioners have committed the offences as detailed in the charge sheet. In the absence of the essential ingredients required to attract the alleged offences against the petitioners in the final report, it was prayed that they be discharged from the proceedings

7. The prosecution raised objection to the discharge applications by filing a counter-objection. Therein, it was stated that although no specific allegations were levelled against the petitioners at the time of lodging the initial complaint, subsequent investigation by the respondent police revealed the active involvement of these petitioners alongside other employees. The prosecution highlighted that the petitioner arrayed as Accused No. 7 (A7) is employed as a Head Constable in the Armed Reserve, Cuddalore and Accused No. 6 (A6) employed as Superintendent in SP Office, cuddalore.

8. The prosecution further contended that a verification of the relevant bank accounts revealed that fund transfers were made on various dates from the accounts of Accused Nos. 2 to 4 into the respective bank accounts of the petitioners, amounting to more than ₹30,00,000/- (Rupees Thirty Lakhs) each. On these grounds, the prosecution raised strong objections against allowing the discharge petition

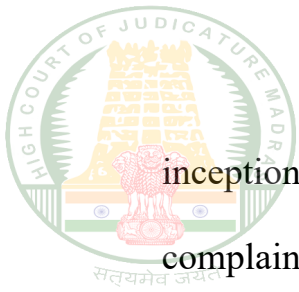
9. The learned Trial Judge, while dismissing the discharge applications, held that a definitive conclusion regarding the sufficiency of grounds to proceed



against the petitioners can only be arrived at upon the culmination of a full-fledged trial, and that the same cannot be adjudicated at the threshold stage under Section 239 of the CrPC (now Section 262 of the BNSS). Upon a perusal of the charge sheet, the Trial Court observed that the prosecution had established a *prima facie* case against the petitioners. Aggrieved by the same, the petitioners have preferred these Criminal Revision Petitions

10. The Learned Counsel for the petitioners submits that the learned Trial Court has gravely erred in failing to appreciate the discharge applications in their proper legal perspective. A holistic reading of the entire final report reveals that there is not even an ounce of incriminating allegation against the petitioners; despite this stark vacuum, the prosecuting agency has arbitrarily arrayed them as accused, and the Trial Court has erroneously sustained the same. Furthermore, the co-accused have not made any implicating statements against the petitioners in their respective confession statements. Despite this, the Trial Court proceeded on mere surmises and conjectures to render a perverse finding, falsely assuming the existence of incriminating material within those confession statements. It is submitted that without a single iota of material or a scrap of paper connecting them to the alleged crime, the petitioners have been miserably roped into the present array of accused.

11. The Learned Counsel further points out that a plain reading of the final report fails to disclose any offence against the petitioners. Even at the



inception of the case, no allegations were raised against them in the initial complaint, a fact that remains unchanged even within the final report. In respect of petitioner No. 6 (A6), a mere sum of Rs. 1,35,700/- was transferred from his account to that of another accused, while in respect of petitioner No. 7 (A7), transactions worth ₹9,00,000/- (Rupees New Lakhs) took place. It is submitted that these transactions occurred in the ordinary, routine course of business and personal dealings, and they do not possess any element of unlawful or criminal intent. In the absolute absence of any *prima facie* or incriminating material to substantiate the charges of cheating or criminal conspiracy, the learned Trial Judge ought to have exercised his jurisdiction to discharge the petitioners. Having failed to do so, the Trial Court erroneously dismissed the petitions, and therefore, it is prayed that the impugned order of the Trial Court be set aside in the interest of justice

12. The Learned Government Advocate (Criminal Side) vehemently resisted the revision petitions, submitting that during the course of the investigation, a deeper conspiracy was unearthed by the respondent police. It is contended that the petitioners herein, along with accused No. 5 (A5), are personnel in active police service who actively abused and took advantage of their official positions. They deliberately acted as conduits for the principal accused by facilitating the routing and transfer of the cheated funds through their personal bank accounts to shield the ill-gotten wealth.

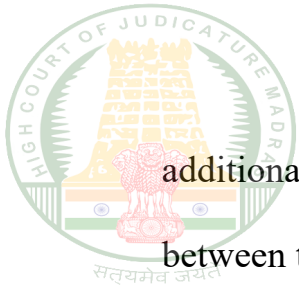


13. The Learned Government Advocate further submitted that this illicit financial nexus was clearly established during the investigation, thereby necessitating their subsequent implication as co-conspirators in the final report.

As there is ample, *prima facie* documentary material on record demonstrating their active involvement in the crime, the finding rendered by the learned Trial Judge is well-reasoned and warrants no interference by this Court. Accordingly, he prayed for the dismissal of these Criminal Revision Petitions

14. Heard the submission of the learned counsel for the petitioners and the learned Government Advocate (Crl. Side) and perused the material available on records.

15. Admittedly, at the time of lodging the initial complaint, no specific allegations were levelled against the petitioners, and as per the complaint as well as the First Information Report (FIR), accused Nos. 1 to 4 are family members who operated an unlawful chit fund scheme and cheated subscribers to the tune of Rs. 4 Crores. However, upon the completion of the investigation, the final report was filed wherein the petitioners were subsequently implicated on the grounds that they had aided and abetted accused Nos. 1 to 4 in executing these unlawful transactions, thereby taking advantage of their official position within the police department to indulge in illegal financial dealings with A1 to A4. Furthermore, as per the final report, not only were transactions worth Rs. 9,45,000/- traced between petitioner No. 6 and accused Nos. 2, 3, and 4, but



additional transactions amounting to Rs. 35,55,000/- were also unearthed between them, further transactions worth Rs. 25,00,000/- happened in respect of petitioner/A7. These financial records *prima facie* reveal sufficient material to justify the implication of the petitioners herein. Further, the total amount involved in the chit fund fraud is approximately Rs. 6,20,00,000/-, through which thousands of subscribers were defrauded, the prosecution has established that these petitioners actively conspired with A1 to A4. Since the final report contains *prima facie* material against the petitioners, they are not entitled to a discharge from the case, and accordingly, the findings rendered by the learned Trial Court require no interference

16. In the result, this Criminal Revision Petitions are dismissed. Pending miscellaneous petition, if any, is/are closed.

16.06.2026

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Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

To

1. The Judicial Magistrate No.II, Cuddalore.
2. The Inspector of Police, Cuddalore DCP.
3. The Public Prosecutor, High Court of Madras.



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T.V.THAMILSELVI J.
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