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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 25.03.2026

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THE HONOURABLE MR JUSTICE R.VIJAYAKUMAR

Crl. OP(MD).Nos.5427, 5428 & 5429 of 2026

and

Crl.MP(MD).Nos.5871, 5873, 5872,

5874, 5877 & 5878 of 2026

1.S.BalasubramanianPetitioner in Crl.OP.No.5427 of 2026

2.SingaravelanPetitioner in Crl.OP.No.5428 of 2026

3.KamalakaranPetitioner in Crl.OP.No.5429 of 2026

Vs

1.Ganesan1st Respondent /Petitioner in Crl.OP.5427 of 2026

2.Chitragesan1st Respondent /Petitioner in Crl.OP.5428 of 2026

3.Sundareswaran1st Respondent /Petitioner in Crl.OP.5429 of 2026

4.The State of Tamil Nadu Rep.by

The Inspector of Police

Economic Offences Wing-II

Madurai

Crime No.3 of 2023

...2nd Respondent/1st Respondent in
all the petitions

Prayer in Crl.OP(MD).No.5427 of 2026:The Criminal Original Petition filed under Section 407(1)(c) (iv) of Cr.P.C. r/w 447 (1) (c)(iv) r/w.528 of the BNSS to withdraw the criminal case in Cr.M.P.No.599 of 2024 pending on



the file of the Special District Judge for TNPID Act, Madurai and be transferred and tried before this Court, in the interest of justice.

Prayer in CrI.OP(MD).No.5428 of 2026:The Criminal Original Petition filed under Section 407(1)(c) (iv) of Cr.P.C. r/w 447 (1)(c)(iv) r/w.528 of the BNSS to withdraw the criminal case in Cr.M.P.No.550 of 2024 pending on the file of the Special District Judge for TNPID Act, Madurai and be transferred and tried before this Court, in the interest of justice.

Prayer in CrI.OP(MD).No.5429 of 2026:The Criminal Original Petition filed under Section 407(1)(c) (iv) of Cr.P.C. r/w 447 (1) (c) (iv) r/w.528 of the BNSS to withdraw the criminal case in Cr.M.P.No.579 of 2024 pending on the file of the Special District Judge for TNPID Act, Madurai and be transferred and tried before this Court, in the interest of justice.

(In all the petitions)

For Petitioners : Mr.M.Yogesh Kanna

For Respondents : Mr.A.P.Muthupandian for R1 to R3

:Mr.R.Meenakshi Sundaram
Additional Public Prosecutor for R4

COMMON ORDER

These petitions have been filed by accused Nos.6,7 and 12 in Crime No.3 of 2023 on the file of the second respondent police seeking to transfer the Cr.M.P.No.599, 550 and 579 of 2024 pending on the file of the Special District Judge for TNPID Act, Madurai to transfer the same to the file of this Court.



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2.The petitions have been filed invoking Section 407(1)(c)(iv) of Cr.P.C and 447 (1)(c)(iv) read with Section 528 of BNSS.

3.The registry had raised an objection with regard to the maintainability of these petitions and had listed it under the caption ' for maintainability' after numbering the same.

4.The petitioners herein are the Directors of Neomax Finance Company and on the allegations of default in repayment of deposit amount, they have been arrayed as accused persons along with others in the above said crime number. The petitioners herein were arrested and later granted bail by TNPID Court, Madurai in November 2023 and January 2024.

5.Out of 30,000 depositors, a set of depositors who were aggrieved over the grant of bail by Special District Judge for TNPID Act, Madurai had approached this Court in Crl.OP(MD).No.15498 of 2024 batch cases seeking cancellation of bail. The said petitions are pending before this Court and time to time, it is being listed for auctioning the properties in order to settle the amount of the depositors.

6.In the meantime, other set of depositors have approached the trial Court in the above said miscellaneous petitions seeking cancellation of bail. Those petitions are also pending before TNPID Court from the year 2024 onwards.

7.This Court had initiated victim centric approach and had listed all the



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properties of Neomax Company in a Government web-site for auctioning the same. This process has started in the first week of March 2026. According to the learned counsel appearing for the petitioners, more than Rs.26.00 crores worth of properties have been sold through public auction and therefore, the said process is an ongoing process. He further submitted that one of the depositors who had filed an application for cancellation of bail before the TNPID Court had filed CrI.OP(MD).No.13517 of 2025 before this Court for expeditious disposal of the cancellation of bail application. An order has been passed by this Court on 13.08.2025 for disposing of the cancellation of bail petitions on merits. However, no time limit has been fixed by this Court. Relying upon the said order, the TNPID Court had expedited the cancellation of bail petition and had directed the accused persons for their appearance to enable them to make their submissions before passing orders in the bail cancellation petition.

8.This has triggered the filing of the present applications for transferring those cancellation of bail applications to the file of this Court to be tagged along with other cancellation of bail applications that are already pending before this Court from the year 2024 onwards.

9.The learned counsel appearing for the petitioners had relied upon Section 407 of Cr.P.C submitted that in the interest of justice and in order to secure justice, the cancellation of bail petition pending before TNPID Court



may be transferred and tagged along with other similar applications pending before this Court. When the auctioning of assets is moving in a faster pace, any order passed by TNPID Court would cause great prejudice not only to the petitioners, but also to the depositors who are now being benefited by auctioning of the property.

10.The learned counsel had further submitted that in case if the cancellation of bail petitions pending before TNPID Court are transferred and tagged along with similar petitions pending before this Court, that would not only benefit to the accused person but also the depositors in general so that they will be able to get back their deposits.

11.The learned counsel for the petitioners had further submitted that the company owns properties worth several thousands of crores and they have been listed in the Government owned web-site and if they are sold away, that would be beneficial to the depositors. Any order to be passed by the TNPID Court would affect the smooth flow of sale of auctioning of the properties through the intervention of this Court.

12.The learned counsel for the petitioners had further stated that the order passed in CrI.OP(MD).No.13517 of 2025 on 13.08.2025 has been passed without notice to him and it is an ex parte order and therefore, the said order may not be relied upon for deciding the present petitions.



13. Per contra, the learned Additional Public Prosecutor appearing for the second respondent submitted that the cancellation of bail petitions are pending before TNPID Court for the past two years, only citing the pendency of similar petitions pending before this Court. Therefore, one of the depositors was constrained to approach over CrI.OP(MD).No.13517 of 2025 seeking expeditious disposal of the part of the bail cancellation petition. He further submitted that the proceedings pending before this Court have nothing to do with the other proceedings pending before the TNPID Court. The sale of properties would not in any way be affected merely because cancellation of bail petition filed by the depositors are heard on merits by TNPID Court.

14. The learned counsel appearing for the defacto complainant who had filed an application before this Court in CrI.OP(MD).No.13517 of 2025 submitted that the transfer of cancellation of bail petition before this Court would only result in circumventing the orders passed by this Court on 13.08.2025 and that would only further delay to recovery of money from the directors of the company. He further submitted that the cancellation of bail petitions have been filed alleging violation of the conditions imposed in the bail order passed by TNPID Court. Therefore, the said issue has to be decided on merits and in accordance with law by the TNPID Court, especially in the light of the orders passed by this Court in CrI.OP(MD).No.13517 of 2025.



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15. Heard both sides and perused the material records.

16. The facts that have been narrated above will clearly indicate that one set of cancellation of bail petitions are pending before this Court in batch of petitions in CrI.OP(MD).No.15498 of 2024 batch case and other set of cancellation of bail petition filed by other depositors are pending before the concerned trial Court namely TNPID Court, Madurai.

17. Section 407 of Cr.P.C is extracted for the purpose of better appreciation:

“407. Power of High Court to transfer cases and appeals.

(1) Whenever it is made to appear to the High Court—

(a) that a fair and impartial inquiry or trial cannot be had in any Criminal Court subordinate thereto, or

(b) that some question of law of unusual difficulty is likely to arise; or

(c) that an order under this section is required by any provision of this Code, or will tend to the general convenience of the parties or witnesses, or is expedient for the ends of justice, it may order—

(i) that any offence be inquired into or tried by any Court not qualified under sections 177 to 185 (both inclusive), but in other respects competent to inquire into or try such offence;

(ii) that any particular case, or appeal, or class of cases or appeals, be transferred from a criminal Court subordinate to its



authority to any other such Criminal Court of equal or superior jurisdiction;

(ii) that any particular case be committed for trial of to a Court of Session; or

(iv) that any particular case or appeal be transferred to and tried before itself.

(2) The High Court may act either on the report of the lower Court, or on the application of a party interested, or on its own initiative:

Provided that no application shall lie to the High Court for transferring a case from one criminal Court to another criminal Court in the same sessions division, unless an application for such transfer has been made to the Sessions Judge and rejected by him.

(3) Every application for an order under sub-section (1) shall be made by motion, which shall, except when the applicant is the Advocate-General of the State, be supported by affidavit or affirmation.

(4) When such application is made by an accused person, the High Court may direct him to execute a bond, with or without sureties, for the payment of any compensation which the High Court may award under sub-section (7).

(5) Every accused person making such application shall give to the Public Prosecutor notice in writing of the application, together with a copy of the grounds on which it is made; and no order shall be made on the merits of the application unless at



least-twenty-four hours have elapsed between the giving of such notice and the hearing of the application.

(6) Where the application is for the transfer of a case of appeal from any subordinate Court, the High Court may, if it is satisfied that it is necessary so to do in the interests of justice, order that, pending the disposal of the application, the proceedings in the subordinate Court shall be stayed, on such terms as the High Court may think fit to impose:

Provided that such stay shall not affect the subordinate Court's power of remand under section 309.

(7) Where an application for an order under sub-section (1) is dismissed, the High Court may, if it is of opinion that the application was frivolous or vexatious, order the applicant to pay by way of compensation to any person who has opposed the application such sum not exceeding one thousand rupees as it may consider proper in the circumstances of the case.

(8) When the High Court orders under sub-section (1) that a case be transferred from any Court for trial before itself, it shall observe in such trial the same procedure which that Court would have observed if the case had not been so transferred.

(9) Nothing in this section shall be deemed to affect any order of Government under section 197."

18.The learned counsel appearing for the petitioners has placed his reliance on Section 407(1)(c)(iv) of Cr.P.C in support of his contention.



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19.A perusal of the said Section clearly reveals that for general convenience of the parties or witnesses or is expedient for the ends of justice, the High Court can pass an order transferring a particular case or appeal to be tried before itself.

20.In the present case, so far the charge sheet has not been taken on file by the TNPID Court. The Court has so far not taken any cognizance. Therefore, as on today, what is pending before the TNPID Court is only the bail petition / cancellation of bail petition. In such circumstances, Section 407(1)(c)(iv) of Cr.P.C for transferring of case for the purpose of trial before this Court does not arise. The said provision is not applicable to the facts of the present case.

21.The learned counsel appearing for the petitioners had further submitted that there is no violation of bail condition and in such circumstances, it is imperative that the cancellation of the bail petitions are not decided by the TNPID Court on its merits. Whether there was any violation of the bail condition or not has to be decided by the concerned Court. Merely because the connected matters or similar matters are pending before this Court, that would not be a ground for transferring the cancellation of bail petitions from the trial Court to the High Court.



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22. In these circumstances, this Court is of the considered opinion that there are no merits in these petitions. Accordingly, these Criminal Original Petitions stand dismissed. Consequently, connected miscellaneous petitions are closed.

25.03.2026

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To

1. The Special District Judge for TNPID Act,
Madurai

2. The Inspector of Police
Economic Offences Wing-II
Madurai
Crime No.3 of 2023

3. The Additional Public Prosecutor
Madurai Bench of Madras High Court
Madurai



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