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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 27-11-2026

CORAM

THE HON'BLE MR.JUSTICE N.RAMESH

CRL OP No. 33706 of 2026

CNR: {HCMA012712492026}

Sheela Mary
W/o.Velmurugan,
No.11/5,Vanniyar Street,
New Washermenpet,
Chennai -600 081

Case QR

... Petitioner / Accused No. 3

Vs

State rep by the Inspector of Police
Economic Offences Wing,
Chennai.
Crime No.04 of 2026.

... Respondent / Complainant

PRAYER : Criminal Original Petition filed under Section 483 of Bharatiya Nagarik Suraksha Sanhita, 2023, to enlarge the petitioner on bail in connection with the CC.No.23 of 2026 pending on the file of this Special Judge (TNPID Court) on such terms and conditions as this Honble Court may deem fit and proper and thus render justice.

For Petitioner(s): Mr.R.C.Paul Kanagaraj for
Mr.E.Balamurugan

For Respondent(s): Mr.M.M.I. Khaleel
Government Advocate (Crl.Side)

ORDER

1. This is a petition for regular bail under Section 483 of the BNSS. The petitioner is the **third accused** in Crime No. 4 of 2026 on the file of the Inspector of Police, Economic Offences Wing, Chennai, now pending as **C.C.**

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No. 23 of 2026 on the file of the learned Special Judge under the TNPID Act, Chennai, for offences under Sections 316(2), 316(5), 318(4), 61(2) and 3(5) of the BNS, Section 5 of the Tamil Nadu Protection of Interests of Depositors (in Financial Establishments) Act, 1997 (the TNPID Act) and Sections 21(1), 21(2), 21(3) and 23 of the Banning of Unregulated Deposit Schemes Act, 2019 (the BUDS Act). This is her **third petition** before this Court.

2. The case of the prosecution, briefly stated, is this. Vinayaga Enterprises, run by the second accused, took money from police personnel and members of the public on the promise of 916 gold coins at Rs.1,400/- a gram below the market price, and did not deliver them. Eighty nine complaints involving Rs.9,26,44,657/- have been received. The petitioner, a serving Inspector of Police, is said to have introduced the second accused to police personnel known to her, to have lent the scheme the credit of her office, and to have received Rs.1,23,85,000/- in her bank accounts in 2024 and 2025. She was arrested on 07.07.2026 and was in police custody for interrogation from 21.07.2026 to 23.07.2026. The final report, covering twenty depositors and Rs.3,26,18,471/-, was laid on 07.09.2026 and taken on file on 11.09.2026. Further investigation under Section 193(8) of the BNSS is in progress.

3. I dismissed her first petition in **Sheela Mary v. State, Crl.O.P. No. 22395 of 2026, dated 12.08.2026**, while the investigation was pending. I dismissed the second in **Sheela Mary v. State, Crl.O.P. No. 25622 of 2026,**

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dated 24.09.2026, when she had been in custody for two months and fifteen days. The reasons then were that the further investigation was directed at her own receipts and properties, and that the depositors, and so many of the witnesses, are police personnel among whom she holds the rank of Inspector.

4. Learned counsel for the petitioner made these submissions.

(a) The investigation is complete, the final report has been laid, the custodial interrogation the police sought is over, and she has now been in custody beyond the ninety days in Section 187 of the BNSS.

(b) The statements of LWs 3, 4, 8, 21 and 22 and the documents on stamp paper show that the money was advanced for business, and about 4,000 grams of gold in coins was returned to those who had paid, so that neither a deposit nor a dishonest intention from the start is made out.

(c) LWs 9, 10, 11, 14, 15 and 24 say that they came to know of the scheme from others and not from her, and she was not a proprietor, partner or director of the concern.

(d) On **Viswapriya (India) Ltd. v. Government of Tamil Nadu, 2015 (4) CTC 705**, the receipt of further complaints is no reason to keep her in custody.

(e) The petitioner is a woman of fifty three with roots in Chennai, will abide by any condition and will keep away from the witnesses, and relies on **Sanjay Chandra v. Central Bureau of Investigation, (2012) 1 SCC 40**.

5. The respondent has filed a counter affidavit and the petition is opposed on its lines. The counter relies on the role attributed to the petitioner, on the money received in her accounts, on fifty four complainants who say they

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invested through her, and on the further investigation into the diversion of money and her benami properties.

6. I have considered the rival submissions and perused the material placed before me.

7. From the date of dismissal of earlier petition, the custody has grown from two months and fifteen days to a little over four and a half months. The further investigation, which was the main reason for the earlier order, has not been shown to have moved. The counter affidavit dated 25.11.2026 states its purposes in the terms recorded in September, to examine more witnesses, to trace the diversion of money and the transfer of properties by the petitioner and to identify her benami properties, and says nothing of what has been done in the two months between. The case has moved on from cognizance. The case history shows that on 11.11.2026 it stood posted for furnishing copies to the accused.

8. The considerations for bail are settled. They include the nature and gravity of the accusation, the severity of the punishment, the danger of the accused absconding, her character and standing, the likelihood of the offence being repeated, and the apprehension of witnesses being influenced, as held in **Prasanta Kumar Sarkar v. Ashis Chatterjee, (2010) 14 SCC 496**.

9. On one side, the accusation is grave. The depositors, many of them police personnel, lost their money, and the prosecution case is that the

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petitioner's office gave the scheme its credibility. Section 316(5) of the BNS, which is charged, carries imprisonment for life, though whether it is attracted is for the trial. The other considerations point the other way. The investigation that led to the final report is complete, and the custodial interrogation the respondent sought was had in July. The prime accused was already released on default bail. The counter does not allege any previous case against her. What remains of the further investigation is the tracing of money through bank records and of properties through registration records, and the counter does not say that her custody is needed for that. She is a permanent resident of Chennai and a Government servant, and nothing suggests that she will abscond. The trial, on so many complaints, will take time.

10. What remains is the apprehension that she may influence the witnesses, who are largely police personnel. That apprehension is answered by conditions that keep her away from the depositors and witnesses and require her to appear for the further investigation on notice, with the Special Court free to act on any breach. On a fresh weighing, her further detention is no longer necessary for the investigation or for the trial.

11. Of the other grounds, little need be said. The reliance on Section 187 of the BNSS in ground [a] is misplaced. That provision fixes the period within which the investigation must be completed, and the final report was laid within it. Grounds [b] and [c], whether the money was a deposit or a business advance,

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whether gold was returned, and what the witnesses will say of her part, are for the trial. I note only that the statements of LWs 9, 10, 11 and 14 still link her to the scheme by name or presence, and that nothing in this order is a finding on them. **Viswapriya (cited supra)** was not a decision on bail.

12. **In the result, this Criminal Original Petition is allowed and the petitioner is ordered to be released on bail on her executing a bond for a sum of Rs.25,000/- (Rupees twenty-five thousand only) with two sureties each for a like sum to the satisfaction of the learned Special Judge under the TNPID Act, Chennai, and on the usual conditions.**

> [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 petitioner shall appear before the respondent for the purpose of the further investigation as and when required.**
>
> **[c] the petitioner shall appear before the learned Special Judge on every hearing date, and shall be exempted only on a medical certificate accepted by that Court.**
>
> **[d] the petitioner shall not leave India without the prior permission of the learned Special Judge.**
>
> **[e] the petitioner shall not, directly or through any other person, contact or communicate with any person**

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who has given a complaint in Crime No. 4 of 2026 or who is cited as a witness in C.C. No. 23 of 2026.

[f] the petitioner shall file before the learned Special Judge, within one week of her release, an affidavit stating the address at which she resides, and shall not change that address without prior intimation to that Court and to the respondent.

[g] the petitioner shall not abscond either during investigation or trial;

[h] the petitioner shall not tamper with the evidence or witness either during investigation or trial;

[i] 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 petitioner 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];**

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

13. It is made clear that the observations made in this order are confined to the disposal of this petition, are prima facie in nature, and shall not influence the respondent in the further investigation or the trial court at any stage of the trial.

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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 Special Court under TNPID Act,
Chennai.

2. The Inspector of Police
Economic Offences Wing,
Chennai.

3.The Superintendent,
Puzhal Prison.

4.The Public Prosecutor,
High Court, Madras.

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N.RAMESH, J.

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