

**IN THE COURT OF SPECIAL ADDITIONAL CHIEF JUDICIAL
MAGISTRATE, THRISSUR.**

Present: Smt. Alpha Mamai K., Additional Chief Judicial Magistrate.

Dated, this the 16th day of July, 2025.

CMP : 1284/2025 in CC 12/2019

(Cr. No. 183/2012 of Thrissur Town West Police Station)

(CB Cr. 280/CR/EOW II/KTM/12)

Petitioners/Accused nos. 18 and 19. : 1. Sasi, 57/16, S/o. Rajan, Vattukalathil House, Vellikulam Road, Chalakkudy, Thrissur.

2. Rathi Suresh, 46/16, W/o. Suresh, Valath House, Kottappuram, Kodungallur, Thrissur.

(By Advocate. Sri. V.R. Syamprasad)

Respondent/Complainant : State represented by the Deputy Superintendent of Police, Crime Branch, Ernakulam.

(Crime no.183/2012 of Thrissur Town West Police Station).

(CB Cr. 280/CR/EOW II/KTM/12)

(By Smt. Dhannu Gireesh, Assistant Public Prosecutor, Court of Additional Chief Judicial Magistrate, Thrissur)

Petition : U/s.239 Cr.P.C.

Order : Allowed.

ORDER

This is a petition filed u/s. 239 Cr.P.C., by the accused nos.18 and 19, in CC 12/2019, on the file of this court, seeking discharge, in the case.

2. Petition averments are, as follows:

Petitioners are the accused nos.18 and 19, in the above case. The offences alleged against the accused/petitioners are under sections 406, 420 r/w 34 IPC and sections 4, 5, 6 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978. Without conducting proper investigation these petitioners are arrayed as accused in the above case. There is no statement by any witness or any other record, to show the involvement of the petitioners in the above case. Petitioners are innocent. Moreover, the petitioners have no acquaintance with the complainants. The petitioners never seen the complainant, nor made any demand of money from the complainant. The complainant has no case that the petitioners had any contact with her, or received any money from her. There is no material evidence to prove the prosecution allegations against them. Moreover, the petitioners have no relation with the accused company. Hence, seeks to discharge the petitioners, in the above case.

3. Objection was filed by the learned Assistant Public Prosecutor, as follows:-

The averments in the petition, are factually incorrect and legally unsustainable. The petition filed by the accused, is devoid of merit and hence liable to be dismissed. There are sufficient ingredients to constitute the offences punishable under sections 120(b), 406, 420 r/w 34 IPC and sections 4, 5, 6 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, against the accused/petitioners. The accused/ petitioners are the business promoters of Nano Excel Companies. It is revealed that, they had shares in accused nos.1 to 3 companies, which clearly shows that, they had a thorough knowledge about the functioning of accused nos. 1 to 3 companies, at the time of registration itself. It is crystal clear from the case diary and

charge sheet that the accused/petitioners looted money from general public, as promoters of Nano Excel Companies and it is revealed from the statements of witnesses that, the accused had criminal intention from the very beginning to cheat the public, by way of enrolling persons, and thus by making quick money. Accused conducted the activities to promote the business of the company. The companies not functioned as per the norms, objectives and guidelines mentioned in the Certificate of Incorporation. Accused published misleading advertisements in the marketing of Nano technology products and announced shares of Nano Power Corporation Limited company through network marketing system. There is prima facie evidence against the petitioners/accused and the documents produced, reveals the role of each accused, in the commission of offence. In *Gold Quest International Pvt. Ltd. and Another v. State of Tamilnadu* 2003 O supreme (mad)627, it was held that, the scheme must involve the enrollment of members, where the financial benefits depend on the number of new members recruited. And the Honourable Court emphasized that, the scheme should be evaluated as a whole considering both promoters and members perspectives. The Supreme Court in *State of West Bengal and Others v. Swapankumar Guha*, AIR 1982 SC 949, established that two conditions must be satisfied for liability under the Prize Chits and Money Circulation Banning Scheme Act, 1) The scheme must be for making quick or easy money, and 2). The opportunity for such earnings must depend on the enrolment of member. Moreover, at the time of framing of charge, the probative value of the materials on record, cannot be gone into. There is prima facie case against the accused, as per the prosecution records. Hence, seeks to accept the objection and dismiss the discharge petition, filed by the accused/petitioners.

4. Heard both sides.

5. CC 12/2019 on the file of this court, is a case based on the final report filed

by the Deputy Superintendent of Police, Crime Branch, Ernakulam, against accused 20 in numbers, alleging offences punishable, under sections 120-B, 406, 420 r/w 34 IPC, sections 4, 5, 6 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978.

6. Case of the prosecution, is as follows:-

Accused with intend to commit cheating, by conducting money circulation business, banned as per section 3 of The Prize Chits and Money Circulation Schemes (Banning) Act 1978, in furtherance of their common intention, and by committing criminal conspiracy, with intend to cheat public, and to obtain wrongful gain, in the month of June 2007, accused nos.4 and 5 created accused no.1 company for conducting money chain business by importing low quality products from abroad and registered the said company on 12/07/2007 and created a website with the help of Amandeep Singh, the Director of a software company named Roots Infocom at Ludhiyana, Punjab and conducted money circulation business through the website and appointed accused no.6 as the Director of the said company and thereafter, with the same intention to commit cheating, accused nos. 4 to 10 created company named Nano Excel Power Corporation Limited (accused no.2) on 01/01/2010 and changed its name to Nano Excel Corporation Limited and entered into an agreement with Arunachal Pradesh Government for starting a Hydro Electric Project in the name of company named Nano Excel Power Corporation Limited, which was not in existence at that time and advertised the agreement with internet and media and through promoters, sold the shares promising good income and thereafter, accused nos. 4, 6, 8 to 13, on 13/05/2010 formed another company named Nano Power Corporation Limited (accused no.3) and conducted money circulation business with the money obtained from the public and accused appointed accused nos.14 to 20 as the sales promoters and accused, being very well aware about the illegal business conducted by the accused companies, approached public giving false promises and accused

through website and through brochures and advertisements, and through classes, promoted the illegal business of money circulation scheme and by making false promise of returning ten times more amount within a short span of time and also by promising income on members enrolling in the company, and also by promising amount, if money deposited in the power package of Nano Excel Power Corporation, fraudulently and dishonestly induced CW1 Anna Pushpi to deliver Rs. 18,000/- on 26/07/2010, CW2 Prakashan to deliver Rs. 48,000/- on 02/08/2010, CW3 Aji G. to deliver Rs.12,000/- and thereby altogether obtained a total amount of Rs. 78,000/- from CW1 to CW3 and thereafter, neither gave the profits as promised, nor returned the money obtained and thereby committed cheating and illegal money circulation business and misappropriated the money obtained and thereby accused committed offences punishable u/s. 120 B, 406, 420, r/w 34 IPC and sections 4, 5 and 6 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978.

7. The prosecution in this case was initiated by CW1/defacto complainant Anna Pushpi, by preferring a complaint u/s. 190(1)(a) Cr.P.C., before the Honourable Chief Judicial Magistrate Court, Thrissur, against accused 12 in numbers, accused no.1 Nano Excel Corporation Limited, represented by the Managing Director and Chief Executive Officer, Harish Babu Madineni, accused no.2 Harish Babu Madineni, accused no.3 Patric Thomas, accused no.4 S.U. Chinna Rao, accused no.5 P.P. Rengareddy, accused no.6 K. Meera Harish, accused no.7 Radha Raja, accused no.8 Sundar Raja Prasanth, accused no.9 Karthikeyan, accused no.10 P.D. Lonappan, accused no.11 Suresh and accused no.12 Reneesh, alleging offences punishable under sections 418, 420, r/w 34 IPC and section 6 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978.

8. The said complaint was forwarded to the Station House Officer, Thrissur Town West Police Station, u/s. 156 (3) Cr.P.C., for registration of First Information

Report and accordingly the First Information Report in this crime, crime no. 183/2012 of Thrissur Town West Police Station, was registered on 02/02/2012.

9. After investigation, the Investigating Officer, Deputy Superintendent of Police, Crime Branch, Ernakulam, filed final report, against accused 20 in numbers, accused no.1 Nano Excel Enterprises Private Limited, represented by Harish Babu Madineni, accused no. 2 Nano Excel Power Corporation Limited/Nano Excel Corporation Limited, represented by Harish Babu Madineni, accused no. 3 Nano Power Corporation Limited, represented by Harish Babu Madineni, accused no.4 Harish Babu Madineni, accused no.5 Chinna Rao Swayamvarapu, accused no.6 Patric Thomas, accused no. 7 P.P. Rengareddy, accused no.8 Meera Harish K., accused no.9 Radha Sundara Rajah, accused no.10 Prasanth Sundar Rajah, accused no.11 Kumari Rajah, accused no.12 Lagatapati Sarath Babu @Sarath, accused no.13 C. Subhashini, accused no.14 Muhammed Asharaf, accused no.15 Bijesh, accused no.16 Sajeev Raj, accused no.17 Sajeev Karun, accused no.18 Sasi, accused no.19 Rathi Suresh and accused no.20 Kumari, alleging offences punishable under sections 120B, 406, 420 r/w 34 IPC and sections 4, 5 and 6 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978. In the final report there are, 47 witnesses cited by the Investigating Officer, and CW1 to CW3 are the persons, who are alleged to be cheated by the accused.

10. Hence, in the complaint preferred by CW1/defacto complainant Annapushpi, these petitioners/accused nos.18 and 19, were not arrayed as the accused. It is to be noted that, the complaint preferred by CW1 Annapushpi, is not a spontaneous First Information Statement, preferred by an aggrieved or a victim or an informant. The complaint preferred by CW1 Annapushpi, is a complaint, filed after much deliberations with the help of a lawyer and in such complaint CW1/defacto complainant Anna Pushpi, the alleged victim of cheating, is expected to mention the

name of each and every person, who had played a specific role in cheating her. Hence, if this petitioners/accused nos.18 and 19, had played any role in cheating her, or in obtaining money from her, on behalf of the company, definitely the name of petitioners/accused nos.18 and 19 would have been mentioned by CW1/defacto complainant Annapushpi, in the complaint preferred by her in court.

11. In the complaint, all the allegations are stated against the accused mentioned in the complaint and it is specifically stated in paragraph no:2, of the complaint that, "ഒന്നാം പർതി സ്ഥാപനത്തിന്റെ നാനോ ടെക്നോളജി ഉൽപ്പന്നങ്ങൾ നെറ്റ് വർക്ക് മാർക്കറ്റിംഗ് വഴി നേരിട്ട് മാർക്കറ്റ് ചെയ്യുന്നതിനുള്ള ഡിസ്ട്രിബ്യൂട്ടർഷിപ്പും നാനോ ഉൽപ്പന്നങ്ങളും ഒന്നാം പർതി സ്ഥാപനം തുടങ്ങുന്ന നാനോ പവർ പെർഫോമൻസിന്റെ ഷെയറുകൾ നൽകാമെന്നും അന്യായക്കാരി മുടക്കുന്ന സംഖ്യ പർതികളുടെ നെറ്റ് വർക്ക് ചെയിൻ ബിസിനസ്സ് പ്ലാനിൽ നിക്ഷേപിച്ചും കൂടുതൽ വരുമാനം (passive income) ഉണ്ടാക്കാമെന്നും പർതികൾ ഒത്തൊരുമിച്ച് അന്യായക്കാരിയെ വിശ്വസിച്ചിട്ടുണ്ട് പരകാരമാണ് അന്യായക്കാരി പർതികളുടെ ബിസിനസ്സിൽ പണം നിക്ഷേപിക്കുന്നതിന് ഇടയാക്കിയത്. കൂടാതെ അകർഷകമായ ഒരാഴ്ചത്തെ ബാങ്കോക്ക് ടൂർ പാക്കേജം തരാമെന്ന് പർതികൾ പറഞ്ഞ് വിശ്വസിച്ചിരുന്നതാണ്." It is further stated in the paragraph no.3 of the complaint that, "പർതികൾ പത്നമാധ്യമങ്ങൾ വഴിയും കമ്പനിയുടെ ലഘുലേഖകൾ വഴിയും പരചാരണം നടത്തിയും പർതികൾ നേരിട്ട് നടത്തിയ പേർഗ്രാമുകൾ വഴിയും, www.nanoexcel.net എന്ന വെബ്സൈറ്റ് വഴിയും, അന്യായക്കാരിയെ നേരിട്ട് കണ്ട് സംസാരിച്ച് വിശ്വസിച്ചിട്ടാണ് അന്യായക്കാരിയെ പർതികളുടെ നെറ്റ് വർക്ക് ബിസിനസ്സിൽ ചേർത്തത്. പർതികൾ തൃശ്ശൂർ ലുലു ഇന്റർനാഷണൽ കൺവെൻഷൻ സെന്ററിലും, കാസിനോ ഹോട്ടലിലും സംഘടിപ്പിച്ച ജനപ്രതിനിധികളും സാമൂഹ്യ സാംസ്കാരിക നേതാക്കൾ പങ്കെടുത്ത പേർഗ്രാമുകളിൽ പങ്കെടുക്കുകയും അവിടെ വെച്ച് ഒന്നാം പർതി സ്ഥാപനത്തിന് വേണ്ടി 2 മുതൽ 12 കൂടിയ പർതികൾ അന്യായക്കാരിയെ നേരിട്ട് കണ്ട് അന്യായക്കാരി ഒന്നാം പർതി സ്ഥാപനത്തിൽ മുടക്കുന്ന പണം നഷ്ടമാകില്ലെന്നും പർതികളുടെ ബിസിനസ്സിൽ ചേർന്നാൽ ഏറ്റവും കുറഞ്ഞത് പത്തിരട്ടിയെങ്കിലും കൂടുതൽ പണം ലഭിക്കുമെന്നും ടി ബിസിനസ്സിൽ അന്യായക്കാരി നേരിട്ട് ബിസിനസ്സ് നടത്തിയില്ലെങ്കിൽ

പോലും അപ്രകാരം പണം ലഭിക്കുമെന്നും അന്യായക്കാരിയെ പറഞ്ഞ് വിശ്വസിച്ചിരുന്നതും വാശാനം ചെയ്തിരുന്നതുമാണ്.” It is further stated in the paragraph no.4 of the complaint that, “അപ്രകാരം അന്യായക്കാരി ഐ.ഡി. നമ്പർ 263234, 263233 ലും മറ്റുമായി 60,000/- രൂപ പ്രതി സ്ഥാപനത്തിന്റേ നാനോ പവർ പ്രൊജക്ടിന്റേ ഷെയറിന് വേണ്ടിയും പ്രൊഡക്ട് ഡിസ്ട്രിബ്യൂട്ടർഷിപ്പിന് വേണ്ടിയും പ്രതിസ്ഥാപനത്തിന്റേ ഓഫീസ് പ്രവർത്തിച്ചു വന്നതായ തൃശ്ശൂർ കാഞ്ഞാണി റോഡിൽ അയ്യന്തോൾ ചുങ്കത്ത് പ്രവർത്തിച്ചിരുന്ന ഓഫീസിൽ ചെന്നിട്ടുള്ളതും പ്രതികൾ അന്യായക്കാരിയിൽ നിന്നും ടി സംഖ്യ കൈപ്പറ്റിയിട്ടുള്ളതും അതുവഴി റോയൽറ്റി ക്ലബ്ബിൽ മെമ്പറായിട്ടുള്ളതുമാണ്. പ്രതികൾ പറഞ്ഞ് വിശ്വസിച്ചിട്ട് അനുസരിച്ച് അന്യായക്കാരിയുടെ സുഹൃത്തുക്കളും ബന്ധുക്കളുമായ അജി. ജി. എന്നവർ ഐ.ഡി. നമ്പർ 275286, 275325, 275389, 275446 എന്നീ നമ്പുകളിലായി മൊത്തം 48000/- രൂപയും, പ്രകാശൻ എന്നവർ ഐ ഡി. നമ്പർ 284589 ആയി 12000/- രൂപയും ഒന്നാം പ്രതി സ്ഥാപനത്തിൽ നാനോ പ്രൊഡക്ട് ഡിസ്ട്രിബ്യൂട്ടർഷിപ്പ് പാക്കേജിലേക്കും, നാനോ പവർ പ്രൊജക്ടിന്റേ ഷെയറിലേയ്ക്ക് വേണ്ടിയും പ്രതികൾ സംഖ്യ കൈപ്പറ്റിയിട്ടുള്ളതും അതുവഴി റോയൽറ്റി ക്ലബ്ബിൽ മെമ്പറായിട്ടുള്ളതുമാണ്. സംഖ്യ കൈപ്പറ്റുന്ന സമയം പവർ പ്രൊജക്ട് ഷെയർ സർട്ടിഫിക്കറ്റും നാനോ ഉൽപ്പന്നങ്ങളും നൽകാമെന്നും, പവർ പ്രൊജക്ടിന്റേ ഷെയർ പ്രകാരം 50 വർഷം തുടർച്ചയായി മാസം തോറും ഷെയർ വരുമാനം നൽകുമെന്നും പ്രതികൾ വാശാനം ചെയ്തിട്ടുള്ളതുമാണ് എന്നാൽ പ്രതികൾ അപ്രകാരം പ്രവർത്തിച്ചിട്ടില്ലാത്തതും അപ്രകാരം യാതൊന്നും തന്നെ ലഭിച്ചിട്ടില്ലാത്തതുമാണ്.” It is further stated in the paragraph no.6 of the complaint that, “പ്രതികൾ അന്യായക്കാരിയെയും മറ്റും പറഞ്ഞ് വിശ്വസിച്ചിട്ട് പണം കൈപ്പറ്റി യാതൊരു ഉൽപ്പന്നങ്ങളും പ്രൊജക്ട് ഷെയറും നൽകാതെയും വാശാനം ചെയ്ത പ്രകാരം യാതൊരുവിധ തുകയും പ്രതികൾ നൽകാതെയും ഇരുന്നിട്ടുള്ളതാണ്. അന്യായക്കാരിക്ക് അപ്രകാരം യാതൊരു തുകയും ലഭിക്കാതിരിക്കുന്നതിന് വേണ്ടി പ്രതികൾ മേൽപ്രകാരം പ്രവർത്തിച്ചിട്ടുള്ളതാണ്. പ്രതികളുടെ മേൽപറഞ്ഞ പ്രവർത്തിമൂലം അന്യായക്കാരിക്ക് അപരിഹാര്യമായ കഷ്ടനഷ്ടങ്ങൾക്കും സാമ്പത്തിക നഷ്ടത്തിനും മാനസിക വേദനയ്ക്കും ഇടയായിട്ടുള്ളതും പ്രതികൾ അനുഭവമായ ലാഭം ഉണ്ടാക്കിയിട്ടുള്ളതുമാണ്. പ്രതികൾ മേൽപറഞ്ഞ പ്രകാരം അന്യായക്കാരിയിൽ നിന്നും മൊത്തം 60,000/- രൂപ കൈപ്പറ്റുമ്പോഴും ടിയാരിക്ക് മേൽപറഞ്ഞ പ്രകാരം വാഗ്ദാനങ്ങൾ നൽകുമ്പോഴും യഥാർത്ഥത്തിൽ പ്രതികൾക്ക് അന്യായക്കാരിയുടേയും മറ്റു നിക്ഷേപകരുടേയും നിക്ഷേപതുക തിരിച്ചു നൽകുവാൻ

സാധിക്കുകയില്ലെന്ന് ഉത്തമബോധ്യം ഉണ്ടായിരുന്നതും ഏതെങ്കിലും അധമ മാർഗ്ഗത്തിലൂടെ അന്യായക്കാരിയിൽ നിന്നും സംഖ്യ തട്ടിയെടുത്ത് അനർഹമായ ലാഭം ഉണ്ടാക്കണമെന്ന ദുരുദ്ദേശത്തോടു കൂടെ പ്രതികൾ ഒത്തൊരുമിച്ചും കൂട്ടായും മേൽപ്രകാരം പ്രവർത്തിച്ചിട്ടുള്ളത്. ആയതിനാൽ പ്രതികളുടെ പ്രവർത്തികൾ അന്യായക്കാരിയോടും മറ്റു നിക്ഷേപകരോടുമുള്ള കടുത്ത വിശ്വാസ വഞ്ചനയും ചതിയുമാകുന്നു. ആയത് ഇന്ത്യൻ ശിക്ഷാനിയമം 418,420 tow 34 എന്നീ വകുപ്പുകൾ പ്രകാരവും പ്രൈസ് ചിട്ട്സ് & മണി സർക്കുലേഷൻ സ്കീംസ് (ബാനിംഗ്) ആക്ട് 1978 ആറാം വകുപ്പ് പർകാരവും കുറ്റകരവും ശിക്ഷാർഹ വുമാകുന്നു. ആയതിലുപരി അന്യായക്കാരിക്ക് 60,000/- രൂപയും മറ്റു വരുമാനങ്ങളും കൂടാതെ മറ്റു നിക്ഷേപകർക്ക് അപർകാരം സംഖ്യകളും നഷ്ടമായിട്ടുള്ളതുമാകുന്നു.”

12. Hence, all the allegations of fraudulent inducement, obtaining money, cheating etc., are alleged against the accused stated in the complaint, by CW1/defacto complainant. As stated above, these petitioners were not arrayed as accused in the complaint preferred by CW1/ defacto complainant and CW1 has not made a whisper about these petitioners/accused nos.18 and 19, in the complaint filed by her. CW1 has no case that, she even knows these accused nos.18 and 19/petitioners, in the complaint preferred by her. It is to be noted that, since the complaint filed almost immediately after CW1 realised the cheating, if the petitioners/accused nos.18 and 19, had played a role in cheating her or in obtaining money from her, on behalf of the accused companies, she should have definitely mentioned the name of the petitioner, in the complaint preferred by her.

13. In the final report, CW1 to CW3 are alleged to be the victims of cheating involved in this case. Along with the final report, the Investigating Officer has produced three statements u/s. 161 Cr.P.C. of CW1 Annapushpi. The first statement is dated 30/03/2012, the second statement is dated 07/04/2012 and the third statement is dated 06/12/2016.

14. In the statement u/s. 161 of CW1 dated 30/03/2012, it is stated by CW1 that, “നാനോ എക്സൽ കമ്പനിയുടെ പ്ലാനിംഗ് കോർപ്പറേഷൻ കമാരി ആണ് എനോട് ആ കമ്പനിയെക്കുറിച്ച് പറഞ്ഞത്. 2010 മെയ് മാസത്തിൽ എനോട് ആ കമ്പനിയുടെ പ്ലാനിംഗ് കോർപ്പറേഷൻ കമാരിയെക്കുറിച്ച് എന്റെ വീട്ടിൽ വന്ന് പറയുകയും, നാനോ എക്സൽ കോർപ്പറേഷൻ ലിമിറ്റഡ് എന്ന കമ്പനി ഹൈദരാബാദിൽ രജിസ്റ്റർ ചെയ്തതാണെന്നും, ഹരീഷ് ബാബു മദനീനി, പാട്രിക് തോമസ്, ചിന്നറാവു എന്നിവരാണ് കമ്പനിയുടെ ഡയറക്ടർമാരെന്നും, കമ്പനിയിൽ പണം നിക്ഷേപിച്ചാൽ നാനോ ടെക്നോളജി പ്ലാനിംഗ് കോർപ്പറേഷൻ, ബയോ കൂൾ വാട്ടർ ബോട്ടിൽ, ഹെൽത്ത് കാർഡുകൾ എന്നിങ്ങനെയുള്ള സാധനങ്ങൾ ലഭിക്കുമെന്നും, കൂടാതെ 6 മാസത്തിനകം നിക്ഷേപിച്ച തുക തിരികെ കിട്ടുമെന്നും, 3 വർഷത്തിനകം പത്തിരട്ടി തുക മാസ തവണകളായി തിരികെ കിട്ടുമെന്ന് പറഞ്ഞ് കമാരി എനോട് കമ്പനിയിൽ പണം നിക്ഷേപിക്കാൻ പേർരിപ്പിക്കുകയും 12,000/- രൂപയാണ് നിക്ഷേപിക്കുന്നതെങ്കിൽ 6 മാസത്തിനകം 12,000/- രൂപയെങ്കിലും ലഭിക്കുമെന്നും, 3 വർഷത്തിനുള്ളിൽ 1,20,000/- രൂപ പല തവണകളായി ലഭിക്കുമെന്നും എനിക്ക് ഉറപ്പ് തന്നു. ധാരാളം പേർ ഈ കമ്പനിയിൽ ചേർന്നിട്ടുണ്ടെന്നും അവർക്കെല്ലാം ആഴ്ച തോറും മാസം തോറും വരുമാനം ലഭിക്കുന്നുണ്ടെന്നും, 12,000/- രൂപ ഇപ്പോൾ നിക്ഷേപിച്ചാൽ 6 മാസത്തിനകം 18000/- രൂപ തിരികെ ലഭിക്കുമെന്നും, മൂന്ന് വർഷത്തിനകം 1,80,000/- രൂപ മാസ തവണകളായി കിട്ടുമെന്നും എനിക്ക് ഉറപ്പ് തന്നു. കമ്പനിയെക്കുറിച്ച് കൂടുതൽ അറിയണമെങ്കിൽ തൃശ്ശൂരുള്ള പേൾ റിജൻസി, കാസിനോ ഹോട്ടൽ, ട്വിച്ചർ ടവർ എന്നിവിടങ്ങളിൽ എല്ലാ ആഴ്ചയും കമ്പനി നടത്തുന്ന ക്ലാസ്സുകളിൽ പങ്കെടുത്താൽ മതി എന്നു പറയുകയും ചെയ്തതിന്റെ അടിസ്ഥാനത്തിൽ ഞാനും എന്റെ പരിചയക്കാരായ അമ്മി, പ്ലാനിംഗ് കോർപ്പറേഷൻ എന്നിവരും 26.05.2010 തിയ്യതി കാസിനോ കൾച്ചറൽ ഓഡിറ്റോറിയത്തിൽ നടന്ന പരിപാടിയിൽ പങ്കെടുക്കുകയും ചെയ്തു.”

15. Hence, the specific case of CW1/defacto complainant, as per the first statement u/s. 161 Cr.P.C., given to the Investigating Officer is that, she came to know about the accused company as told by one Kumari at Kodungalloor (accused no.20) and as per the inducement offered by the said Kumari and as told by the said Kumari, she participated in a programme conducted by the accused company at Casino Cultural Auditorium.

16. In the first two statements u/s. 161 Cr.P.C. of CW1, there is no single mentioning about these petitioners/Sasi and Rathi Suresh. Thereafter, after five years of filing the complaint, in the year 2016, in the statement u/s. 161 Cr.P.C., dated 06/12/2016, CW1 stated that, "നാനോ എക്സൽ കമ്പനിയെ കുറിച്ച് പത്രമധ്യമങ്ങളിലൂടെയും, കൂടാതെ ആനപ്പുഴയിലുള്ള കുമാരി, രതി സുരേഷ് എന്നിവർ പറഞ്ഞും മറ്റും ആണ് ഞാൻ അറിയുന്നത്. കമ്പനിയെകുറിച്ച് കടുതൽ അറിയുന്നതിനായി കമ്പനിയുടെ ഡയറക്ടർമാർ മീറ്റിംഗ് സംഘടിപ്പിക്കാറുണ്ടെന്ന് അവർ പറഞ്ഞറിഞ്ഞ് അവരോടൊപ്പം 2010, ജൂൺ മാസം ആദ്യ ആഴ്ചയിൽ തൃശ്ശൂർ കൊക്കാലയിലുള്ള കാസിനോ ഹോട്ടലിൽ നാനോ എക്സൽ കമ്പനി സംഘടിപ്പിച്ച മീറ്റിംഗിൽ ഞാനും പങ്കെടുത്തു. മീറ്റിംഗിൽ, നാനോ എക്സൽ കമ്പനി ഡയറക്ടർ പാട്രിക് തോമസ്, പ്രമുഖ പ്രമോട്ടർമാരായ ചേലക്കരയിലുള്ള മുഹമ്മദ് അഷറഫ്, മുണ്ടൂരിലുള്ള ബിജേഷ്, വരന്തരപ്പിള്ളിയിലുള്ള സജീവ് രാജ്, ചേലക്കരയിലുള്ള സജീവ് കരുൺ, ചാലക്കുടിയിലുള്ള ശശി, രതി സുരേഷ്, കുമാരി കൂടാതെ മറ്റ് പ്രമോട്ടർമാരും കമ്പനിയുടെ പ്രവർത്തനങ്ങളെ കുറിച്ച് വിവരിച്ചിരുന്നു."

17. She has not offered any explanation or reason for not mentioning the name of the petitioners Sasi and Rathy Suresh, either in the complaint or in her first two statements u/s. 161 Cr.P.C. given to the Investigating Officer in the year 2012. Even in the said statement dated 06/12/2016, except making a vague averment against the petitioners, no specific allegations are made against the petitioners by CW1. CW1 does not have a case that, these petitioners personally offered any fraudulent inducement or committed cheating on her. As stated above, CW1/defacto complainant has no case in the complaint filed in court and in her first two statements u/s. 161 Cr.P.C. given in the year 2012 that, these petitioners Sasi and Rathy Suresh, were also present in the classes participated by her at Lulu International Convention Centre, Thrissur and Casino Hotel.

18. CW2 Prakashan and CW3 Aji, in their statements u/s. 161 Cr.P.C., have not made any mentioning about these petitioners Sasi and Rathy Suresh. No specific

allegations of fraudulent inducement and cheating are alleged against the accused/petitioners. There is absolutely no material produced on the prosecution side to prove either that, any money was entrusted with the petitioners by either CW1 or CW2 or CW3, or that they misappropriated the said money.

19. In **Vijukumar R. v. State of Kerala**, reported in **2024 ICO 634**, the **Honourable High Court of Kerala**, held as follows:-

“9. S.239 envisages a careful and objective consideration of the question whether the charge against the accused is groundless or whether there is ground for presuming that he has committed an offence. What S.239 prescribes is not, therefore, an empty or routine formality. It is a valuable provision to the advantage of the accused, and its breach is not permissible under the law. But if the Judge, upon considering the record, including the examination, if any, and the hearing, is of the opinion that there is "ground for presuming" that the accused has committed the offence triable under the chapter, he is required by S.240 to frame in writing a charge against the accused. The order for the framing of the charge is of a far - reaching nature and it amounts to a decision that the accused is not entitled to discharge.

10. At the stage of framing charges even a very strong suspicion founded upon materials before the Special Judge, which leads him to form presumptive opinion as to the existence of the factual ingredients constituting the offences alleged, may justify the framing of charges. In *Niranjan Singh Karam Singh Punjabi v. Jitendra Bhimraj Bijjaya and Others* (1990 (4) SCC 76 :: 1990 ICO 3711) the Apex Court held thus: -

"From the above discussion it seems well settled that at the S.227-228 stage the court is required to evaluate the material and documents on record with a view to finding out if the facts emerging therefrom taken at their face value disclose the existence of all the ingredients constituting the alleged offence. The court may for this limited purpose sift the evidence as it cannot be expected even at the initial stage to accept all

that the prosecution states as gospel truth even if it is opposed to common sense or the broad probabilities of the case.

25. While considering the application seeking discharge of an accused on the ground that there are no materials to presume the guilt of the accused, the Court has bounden duty to apply its judicial mind to the available materials. It is profitable to extract the observation of the Supreme Court in *V.C.Shukla v. State through CBI* (1980 SCC (Cri) 695 :: 1979 ICO 223). In *V.C.Shukla*, the Apex Court held thus: —

"8. There can be no doubt that the stage of framing of the charges is an important stage and the court before framing the charge has to apply its mind judicially to the evidence or the material placed before it in order to make up its mind whether there are sufficient grounds for proceeding against the accused..... We may, however, point out that we are in complete agreement with the principle, involved in the cases discussed above, that an order framing charges against an accused undoubtedly decides an important aspect of the trial and it is the duty of the court to apply its judicial mind to the materials and come to a clear conclusion that a prima facie case has been made out on the basis of which it would be justified in framing charges."

20. In *Pushpendra Kumar Sinha v. State of Jharkhand*, reported in 2022 ICO 1492, the Honourable Supreme Court of India, held that, **"18. It is a well settled law that at the time of framing of the charges, the probative value of the material on record cannot be gone into but before framing of charge the Court must apply it's judicial mind on the material placed on record and must be satisfied that the commission of offence by the Accused was possible. Indeed, the Court has limited scope of enquiry and has to see whether any prima-facie case against the Accused is made out or not. At the same time, the Court is also not expected to mirror the prosecution story, but to consider the broad probabilities of the case, weight of prima-facie evidence, documents produced and any basic**

infirmities etc.”

21. According to the prosecution case, these accused/petitioners are termed as the local business promoters of the accused nos. 1 to 3 companies. Hence, it is the admitted case of the prosecution that, these petitioners/accused does not hold any official position in any of the accused companies, accused no.1 company Nano Excel Enterprises Private Limited, or accused no. 2 company Nano Excel Power Corporation Limited/Nano Excel Corporation Limited or accused no. 3 company Nano Power Corporation Limited. Even as per the prosecution, these accused/petitioners, are not the directors, nor shareholders, nor holding any recognised official positions in the company, as per the companies act, in the accused nos. 1 to 3 companies. The allegation in the charge against accused nos. 14 to 20 is, “പ്രതിസ്ഥാപനങ്ങളുടെ sales പ്രൊമോട്ടറായും 18 ആം പ്രതിയെ 18/09/2009 തീയതി 46551 എന്ന ID നമ്പരിലും 19 ആം പ്രതിയെ 10/09/2009 തീയതി 4486 എന്ന ID നമ്പരിലും നിയമിച്ചു.” There is no single document produced on the prosecution side to show, atleast prima facie that, these petitioners/accused nos.18 and 19 were officially appointed as the business promoters, of any of the accused companies. There is no single document revealed as per the prosecution records, to show atleast prima facie that, these petitioners/accused nos.18 and 19 were appointed as the business promoters, for promoting the business of accused nos. 1 to 3 companies.

22. The term promoter is defined in Rule 2(d) of the Prize Chits and Money Circulation Schemes (Banned) Kerala Rules, 1979, as follows:-

“Promoter” means a person conducting a prize chit or money circulation scheme at the commencement of the Act and desiring to constitute such chit or scheme pursuant to sub section(1), Sec. 12 for winding up business relating to such chit or scheme.

23. In this case, there is no single document produced along with the prosecution records to show atleast prima facie that, this accused/petitioner was the promoter, conducting money circulation scheme on behalf of the accused nos. 1 to 3 companies, as defined under Rule 2(d) of the Prize Chits and Money Circulation Schemes (Banning) Kerala Rules, 1979.

24. Section 2(69) of the Companies Act also defines the term promoter. As per section 2(69) of the Companies Act 2013, “Promoter” means a person (a) who has been named as such in a prospectus or is identified by the company in the annual return referred to in Sec. 92; or (b) who has control over the affairs of the company directly or indirectly whether as a share holder, director or otherwise, or (c) in accordance with the whose advice, the directions or instructions the board of directors of the company is accustomed to act: provided that nothing in sub clause (c) shall apply to a person who is acting merely in a professional capacity.”

25. The annual return filed by the accused nos. 1 to 3 companies during the relevant period, as provided u/s. 92 of the Companies Act, 2013, is not produced along with the prosecution records. The prosecution records does not reveal that, these petitioners/accused nos.18 and 19 were persons named as promoters in the prospectus of accused nos. 1 to 3 companies or identified as promoter by the accused nos. 1 to 3 companies in the annual return referred to in section 92 or that these petitioners/accused nos.18 and 19 were persons who were having control over the affairs of the company, directly or indirectly or that, on whose advice, the Board of the Directors of the company is accustomed to act. Hence, even as per the prosecution records, these petitioners/accused nos.18 and 19 are not promoters, either as per the Prize Chits and Money Circulation Schemes (Banning) Kerala Rules, or as per the Companies Act, 2013.

26. Very recently, the **Honourable High Court of Kerala, in Vinode V. Luka v. State of Kerala, reported in 2025 KHC OnLine 1695**, in a similar case under the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, held as follows:-

“5. Admittedly, the petitioner was working as Manager in the establishment by name 'LIS' which was run by the first accused as Managing Trustee and accused nos.2 and 3 as the partners. The fourth accused is stated to be the Chairman of the above establishment, and the 8th accused, the partner of a sister concern of that partnership firm. It is pertinent to note that, apart from a general and superficial allegation that the employees at the office of the establishment by name 'LIS' had also compelled the depositors to invest in the financial business being conducted by the above firm, there is absolutely no specific indictment as against the petitioner herein. There is no case for any of the depositors that the petitioner herein was entrusted with any amount, or that the petitioner herein had collected any amount from the depositors after fraudulently and dishonestly inducing them to believe that their amounts would be doubled, if they are making investments in the firm conducted by accused Nos.1 to 3. Going by the provisions contained in S.6 of the Prize Chits and Money Circulation (Banning) Act, 1978, if an employee of a firm or other association of individuals has to be held liable for the offence committed by the firm, it has to be shown that he was in - charge of, and was responsible to the firm for the conduct of business of such firm. It is further provided thereunder that if a Manager, Secretary or other Officer of any such company or firm has to be attributed personally with the criminal liability in respect of the offence committed by such firm, it has to be shown that such offence was committed with the consent or connivance of, or is attributable to any neglect on the part of such Manager, Secretary or officer, as the case may be.

7. It is clear from the aforesaid provision of law that if a person has to be held liable for an offence committed by a company, firm or other association of individuals, it is the incumbent responsibility of the prosecution to establish that such person was in

charge of, and responsible to the conduct of business of such company, firm or association of individuals. Likewise, it is clear from sub Section (2) of S.6 stated above that, if an Officer, Secretary or Manager of a company, firm or association of individuals has to be held personally liable for the offence committed by such association or firm, the prosecution has to establish that such offence was committed with the consent or connivance of, or it is attributable to, any neglect on the part of such Secretary, Manager or other officer of that firm. As far as the present case is concerned, there is absolutely nothing on record to show that the offence involved was committed with the consent or connivance of the petitioner, or that it is attributable to any neglect on the part of the petitioner. So also, there is nothing brought out from the final report and other records relied on by the prosecution that the petitioner, in his capacity as Manager, was in charge of, and responsible to the company and the conduct of business of the company. In that view of the matter, it has to be stated that the offence alleged in these cases, against the petitioner, are not brought out from the final report and other records relied on by the prosecution. Therefore, the request in these petitions to quash the proceedings against the petitioner in the aforesaid cases, is perfectly justifiable."

27. In this case also, there is absolutely no specific indictment, as against the petitioners herein. There is no case for the prosecution that, the petitioners were entrusted with any amount, or that, the petitioners had collected any amount from the depositors, after fraudulently and dishonestly inducing them to believe that, the money deposited by them would be doubled, if they are making investment in the accused companies. There is no material even, prima facie as per the prosecution records to prove that, petitioners were in charge of and were responsible to the conduct of the business of accused companies. There is no material revealed as per the prosecution records, to show atleast prima facie that, the offences alleged were committed with the consent or connivance of or is attributable to any neglect on the

part of petitioners. None of the official documents of the company, shows any connection, between the petitioners and the accused nos.1 to 3 companies. Even the persons, who are alleged to be cheated, have not made any specific allegations, about the involvement of these petitioners in the transactions with them, on behalf of the accused nos.1 to 3 companies. There is no material even prima facie, revealed as per the prosecution records, to frame charge against the petitioner, for the offences alleged in the case.

28. Hence, after considering the police report and the documents sent along with the police report, under section 173 Cr.P.C., and after hearing both sides, I am of the view that, there is no sufficient ground for proceeding against these petitioners/accused nos.18 and 19, for the offences alleged in the case. Hence, petition allowed and these petitioners/accused nos.18 and 19 are discharged for the offences alleged against them, in the above case.

29. Hence, petition allowed.

(Dictated to the Confidential Assistant, typed by her directly to the computer, corrected and pronounced by me in the open court this, the 16th day of July, 2025)

Additional Chief Judicial Magistrate,
Thrissur.