

IN THE COURT OF THE DISTRICT AND SESSIONS JUDGE, KARUR

PRESENT : Thiru.K.H.Elavazhagan, B.Sc., M.L.,

District and Sessions Judge.

Monday, the 23rd day of March 2026

Crl.M.P.No.317/2026

CNR.No:TNKR-01-000812-2026

F. Shajahan
S/o.Fakrudeen

..Petitioner/accused

/Vs/

The State represented by,
The Directorate of Revenue Intelligence
through the Intelligence Officer,
Chennai
F.No.DRI/ZU/23/2025-ADD/JD-I-O/o ADG-DRI-ZU-CHENNAI

..Respondent/Complainant.

This is a petition filed by the petitioners u/s.483 of BNSS., seeking bail.

This petition coming on for final hearing before me today in the presence of Thiru. S. Sivakumar, advocate for the petitioner and of Thiru. S.Muthu Malai Raja, Special Public Prosecutor for DRI, appearing for the state and upon hearing the arguments of both sides and having stood over for consideration till this day, this Court has passed the following.

O R D E R

Heard both sides.

The petitioners/accused are seeking bail for the offences alleged to have been committed by them u/s.135, 135A r/w. Sec.104 of the Customs Act, 1962 concerned in F.No.DRI/ZU/23/2025-ADD/JD-I-O/o ADG-DRI-ZU-CHENNAI .

2) The learned counsel for the petitioner/accused submits that in fact these petitioners are no way connected with the alleged offence and they have been falsely implicated in this case. These petitioner is in judicial custody since 25.02.2026. He prays to release them on bail.

3(1) The learned Special Public Prosecutor for DRI has filed his objection statement and he has stated that 4.65 MT of Red Sanders logs of export-prohibited category, valued at about Rs. 2.32 crore was seized at three different locations including a residential premises at Kodangipatti in Karur District by DRI and hence, the investigation of this case is being handled by the office of the Directorate of Revenue Intelligence, Trichy Regional Unit in

File in the E-office File F.NO.DRI/CZU/TRY/VIII/48/ ENQ-01/ INT-01/2026 and accordingly the Petitioner above named respectfully submits the objection statement as follows:

3(2) The present case arises out of specific intelligence developed by officers of the Directorate of Revenue Intelligence, Chennai Zonal Unit, that a well-organised syndicate headed by Shri Sadiq Ali and Shri Shajahan F was engaged in clandestine procurement, storage, transportation and attempted export of Red Sanders logs, a species prohibited for export under the Foreign Trade Policy, listed in Appendix II of CITES and protected under Schedule IV of the Wild Life (Protection) Act, 1972. The intelligence further revealed that the syndicate was operating through multiple godowns in Tamil Nadu, using front persons, rented premises, fabricated vehicle numbers and hawala channels to facilitate smuggling to foreign buyers in Malaysia and further routed in Vietnam and China.

3(3) Acting on the said intelligence, simultaneous searches under valid authorisations were conducted on 21.02.2026 at (i) residential premises at Old No. 3-26. New No. 40. Kodangipatu Sivayam North Krishnarayapuram Taluk. Karur District: (ii) godown premises at Shop No.2 Door No. 21. Venkat Nagar, Kolathur, Chennai; and (iii) warehouse premises of M/s AJBU Enterprises at Sy. No. 1492C3, Enusonal Village, Ravakotta Road. Hosur Taluk, Krishnagiri District.

3(4) At the godown premises situated at Shop No. 2, No. 21, Venkat Nagar, Kolathur, Chennai -600099, a search was conducted on 23.02.2026 by officers of the Directorate of Revenue Intelligence, Chennai Zonal Unit, under a duly authorized search warrant and mahazar proceedings in the presence of independent witnesses and the godown occupant Shri P. Sathish, During search, red-coloured wooden logs and roots were found concealed behind stacks of brown carton boxes containing aquarium tanks and covered under a white tarpaulin sheet. On thorough examination and segregation, 29 red-coloured wooden logs and 32 red-coloured roots, totally 61 pieces, were recovered. The said goods were marked, inventorised and weighed separately. Shri Madhivanan A, Assistant Director, Wildlife Crime Control Bureau (WCCB), who joined the proceedings, inspected and certified the recovered wooden logs and roots as Red Sanders (*Pterocarpus santalinus*) of Grade-A quality. Samples were drawn from selected logs for further investigation and sealed with DRI seal. On reasonable belief that the said Red Sanders, being goods prohibited/restricted for export under the Foreign Trade Policy and covered under the Wild Life (Protection) Act, 1972,

were attempted to be illicitly exported, the 61 pieces of Red Sanders (29 logs and 32 roots) were seized under Section 110 of the Customs Act, 1962. Thereafter, the seized goods were loaded into 20 Ft Container No. OOLU2189708 and transported to Calyx Container Terminals Pvt Ltd, Container Freight Station (CFS), Puzhal, Chennai, where the container was handed over to the authorized CFS official for safe custody with specific instructions not to tamper with or deal with the same without written permission from DRI.

3(5) At the premises situated at Old No. 3-26, New No. 40, Kodangipatti, Sivayam North, Krishnarayapuram Taluk, Karur, a search was conducted on 23.02.2026 by officers of the Directorate of Revenue Intelligence under a duly drawn mahazar in the presence of independent witnesses. During the course of search, an Ashok Leyland truck bearing Registration No. TN 64 J 5980 parked inside the compound was examined and found to contain 41 red-coloured wooden logs concealed beneath empty plastic cartons and covered with yellow tarpaulin sheets. Further search of the residential house resulted in recovery of 31 similar red-coloured wooden logs from the pooja room, which were covered with blue tarpaulin sheets and stored along with a weighing machine used for weighment of the contraband. On requisition, the Forest Range Officer, Karur Range, inspected and certified all the 72 wooden logs as Red Sanders (Botanical Name: *Pterocarpus santalinus*). The logs were individually marked and weighed, and the total net weight was found to be 2.390 Metric Tonnes. As the said goods are prohibited/restricted for export and liable for confiscation under the provisions of the Customs Act, 1962 read with the Wild Life (Protection) Act, 1972, the 72 Red Sanders logs were seized along with the above and other packing materials used for concealment. Subsequently, under a separate mahazar dated 24.02.2026 drawn at the premises of Calyx Container Terminals Pvt Ltd, Container Freight Station (CFS) No. 28, G.N.T. Road (NH5) Puzhal, Chennai, the seized truck bearing Registration No. TN 64 J 5980 along with the seized goods was produced for safe custody. In the presence of independent witnesses and CFS officials, the seized 72 Red Sanders logs plastic cartons and tarpaulin sheets were de-stuffed from the vehicle and stuffed into Container No.OOLU2189708, which already contained Red Sanders logs and roots seized under a separate mahazar dated 23.02.2026 at Chennai. After completion of stuffing, the container was secured with steel chain, locked and sealed with the DRI wax seal, and handed over to the CFS authorities for safe custody with specific instructions not to tamper with the seal or contents without written permission of DRI

3(6) At the warehouse premises of M/s. AJBJ Emerprises, SY, No.149/2C3, Enusonai Village, Rayakotta Road, Hosur Taluk, Tamil Nadu 635117, a search was conducted on 23.02.2026 by officers of the Directorate of Revenue Intelligence under a duly issued search warrant and mahazar proceedings in the presence of independent witnesses and Smt. Naziya Moula, Proprietor of the firm. During search, 20 red-coloured wooden logs were found clandestinely concealed under a tarpaulin sheet in the third partition of the warehouse shed. The logs were inventorised and weighed using the weighing machine available at the premises and were found to weigh 562.97 kgs (excluding sample weights). Shri V. Sakthivelu, Forest Ranger, who joined the proceedings, inspected and certified the recovered wooden logs as Red Sanders (*Pterocarpus santalinus*) of Grade-1 quality. Samples were drawn and sealed for further investigation. In addition, the officers recovered and detained packing materials including white sacks, adhesive tapes, a weighing machine, a saw machine, and a bag containing multiple fake vehicle number plates, which were reasonably believed to have been used for concealment and transportation of the contraband. Vehicles bearing Registration Nos. HR 58 C 9411 and KA 53 AA 4112 found within the premises were also detained under the provisions of the Customs Act, 1962 on reasonable belief of their involvement in the smuggling activities. The seized Red Sanders logs were subsequently transported to ICD Hosur and handed over to the Superintendent, ICD Hosur, for safe custody under proper acknowledgment for further investigation.

3(7) In total, 4.65 MT of Red Sanders logs of export-prohibited category, valued well above Rs. 1 crore, were seized in a single coordinated operation, clearly attracting the provisions of Section 104 read with Section 135 of the Customs Act, 1962, rendering the offences cognizable and non-bailable.

3(8) A search was conducted on 23.02.2026 at about 06:30 hours at the residential premises of Shri Shajahan F S/o Fakrudeen, situated at No. 442-A/49, 2nd Floor, 7th Street, S.A. Colony, Vyasarpadi, Chennai-600039, by officers of the Directorate of Revenue Intelligence, Chennai Zonal Unit, under a duly issued search authorization and in the presence of independent witnesses, and the resident Shri Shajahan F along with his father Shri H. Fakrudeen. At the time of search, Shri Shajahan F and his father Shri H. Fakrudeen were present in the G-2 residential building. During search, eight handwritten registers/notebooks were recovered from the bedroom and marked as 1A, 2A, 3A, 4A, 5A, 6A, 7A and 8A. On preliminary scrutiny, the said registers contained handwritten entries relating to investments, expenditure details, references to "long" (long logs), "roots" (root

portions) and other particulars having apparent relevance to the ongoing investigation into Red Sanders smuggling. On reasonable belief that the said eight registers were relevant and material to the investigation under the Customs Act, 1962, the same were seized for further examination.

3(9) A search was conducted on 23.02.2026 at the residential premises of Shri Sadiq Ali So Ibrahim, bearing Flat No. 3B, 3rd Floor, H.No. 53, Ibrahim 1st Lane, Mannady, Chennai 600001, by officers of the Directorate of Revenue Intelligence, Chennai Zonal Unit, under a duly issued search authorization and in the presence of independent witnesses. At the time of search, Shri Rahim (brother-in-law), Smt. Shahin Fathima (wife), and Shri Mohamed Shafi (son) were present in the approximately 350 sq.ft. 2BHK apartment situated in a four-floor residential complex. Initially, there was reluctance in opening the door, however, upon assistance from local police authorities and proper identification by the officers, access was secured. The premises was systematically searched. During the course of search, photocopies of Shri Sadiq Ali's Aadhaar Card, Passport, Driving Licence, and a purported Tamil Nadu Forest Department clearance certificate (TIN No. 32201076969 issued in the name of M/s New Super Computer & Electronics) were found and detained under a reasonable belief that the same may have nexus with the ongoing investigation relating to smuggling activities. Shri Sadiq Ali was not present at the premises during the search. The entire proceedings were duly recorded under Mahazar dated 23.02.2026.

3(10) Further, he also relied on the judgments rendered by the Honourable Apex Court in the case of **State of Bihar and Another Vs Amit Kumar Alias Bachcha Rai** wherein

“Socio economic offences Stringent parameters for grant of bail that Socio economic offences constitute a class apart and need to be visited with different approach in matter of bail since socio-economic offences have deep-rooted conspiracies affecting moral fibre of society and causing irreparable harms”

3(11) Further, the Honourable Supreme Court in the judgment of the case in **Serious Fraud Investigation Office Vs Nitin Johari and Another** has held that *“Economic offences having deep-rooted conspiracies and involving huge loss of public funds need to be viewed seriously and considered as grave offences affecting economy of country as a whole and thereby posing serious threat to financial health of country. While granting bail court has to keep in mind nature of accusations, nature of evidence in support thereof, severity of punishment which conviction will entail character of accused, circumstances which are peculiar to accused, reasonable possibility of securing presence of accused at trial, reasonable apprehension of witnesses being tampered with larger interest of public. State and other similar considerations”*

3(12) Further, the Honourable Supreme Court in the case of **"Manno Lal Jaiswal Vs The State of Uttarpradesh & Anr** (i) *nature of seriousness of the offence; (v) likelihood of his tampering..." the impact that his release may make on the prosecution witnesses, its impact on the society"*

3(13) Further, the Honourable Apex Court in the case of **Sagar Vs State of UP & ANR** wherein it was held that *"Court must strike a balance and exercise discretion judiciously considering the factors like nature of the allegations, severity of punishment, criminal antecedents and a prima facie satisfaction"*

3(14) Further, the Honourable Supreme Court in the case of **Ash Mohamed Vs Shiv Raj Singh alias Lalla Babu** and another it was held that *"Period of custody may be one of the factors to be considered but cannot be the whole and sole factor in every case-Grant of bail depends upon nature of the offence manner in which it is committed and its impact on society The heinous nature of the crime warrants more caution and there is greater chance of rejection of bail though, however, dependent on the factual matrix of the matter"*

3(15) Further, the Honourable Supreme Court in the case of **V.Senthil Balaji Vs The Deputy Director, Chennai** it was held that *"To start with, this court will deal with the twin requirements prescribed under section 45 of PMLA. The Hon'ble Apex Court in Vijay Madanlal Choudhary case referred supra has upheld the validity of section 45(1) of the PMLA. Section 45 of the PMLA turns the principle of bail is the rule and jail is the exception on its head. Under the PMLA regime jail is the rule and bail is the exception"*

3(16) Further, he also relied on the judgments rendered by the Honourable Supreme Court in 1974 SCC (Cri) 345 Percy Rustomji Basta vs. State of Maharashtra dated 16.03.1974, 1987(2) SCC 364 State of Gujarat vs. Mohanlal Jitmalji Porwal and another dated 26.03.1987, 1997(1) SCC 508 Surjeet Singh Chhabra vs. Union of India and others dated 25.10.1996, (2012) 9 Supreme Court cases 446 Ash Mohammad vs. Shiv Raj Singh vs. Lallu Babu and another dated 20.09.2012, (2013) 7 Supreme Court Cases 439 Y.S.Jagan Mohan Reddy vs. CBI dated 09.05.2013, (2013) 7 Supreme Court Cases 466 Nimmagada Prasad vs. CBI dated 09.05.2013, (2015) 16 Supreme Court cases Gautam Kundu vs. Directorate of Enforcement dated 16.12.2015, (2017) 13 Supreme Court cases 751 State of Bihar and another vs. Amitkumar @ Bachcha Rai dated 20.04.2017, (2019) 9 Supreme Court Cases 165 Serious Fraud Investigation Office vs. Nittin Johari and another dated 12.09.2019, 2024(3) MWN (Cri) 289 State vs. M. Premraja dated 03.10.2024, The order passed in W.P.No.9641/2018 by the Honourable High Court, Madras dated 12.07.2021, The

order passed in W.P.No.1525/2024 by the Honourable High Court, Madras dated 28.02.2024 and Crl.A.No.1000 of 2012 Amad Noormamad Bakali vs. The State of Gujarat and others dated 23.02.2026.

3(17) Further, he states that the investigation of the case is at preliminary stage and the department is vehemently tracing out the other persons involved in this case and if the petitioners are released on bail, it would cause prejudice to the further course of the investigation and hence, he objected to release them on bail.

4) I have perused the records. On perusal of the records, it is seen that the petitioners are the accused 1 and 2 in this case. Further, it is seen that searches were conducted on 23.02.2026 at residential premises at Old No. 3-26. New No. 40. Kodangipatti Sivayam North Krishnarayapuram Taluk. Karur District, godown premises at Shop No.2 Door No. 21. Venkat Nagar, Kolathur, Chennai and warehouse premises of M/s AJBU Enterprises at Sy. No. 1492C3, Enusonai Village, Ravakotta Road. Hosur Taluk, Krishnagiri District and at the time of search, 4.65 Metric Tonnes of Red Sanders logs of export prohibited category valued at Rs.2.32 Crores were seized in the above said three locations by DRI and hence, the investigation of this case is being handled by the office of the Directorate of Revenue Intelligence, Trichy Regional Unit in File in the E-office File F.No.DRI/CZU/TRY/VIII/48/ENQ-01/ INT-01/2026 and subsequently, the accused were arrested on 25.02.2026. Further, it is seen that the prosecution has intended to take the accused from judicial custody and record his further statement with regard to the involvement of the other accused in this case.

5) Considering the facts and circumstances of the case, the nature of the offence, the investigation in this case is at earlier stage and the first custody period has not yet been completed, and there is no change of circumstances from the earlier bail order and I am of the view that if the petitioners are let on bail, the investigation would be hampered and there is every possibility of abscondance and hence, I am not inclined to allow this application.

In the result, this petition is dismissed.

Pronounced by me in Open Court on this the 23rd day of March 2026.

DISTRICT & SESSIONS JUDGE,
KARUR.

To
The Petitioner through counsel.
The Judicial Magistrate No.II, Kulithalai.
Respondent through Public Prosecutor.