

# India's top court cancels bail for IT group's founder

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B. Ramalinga Raju, founder and former chairman of fraud-hit Satyam Computers is escorted from Chenchalguda Jail in Hyderabad in April last year for a court appearance. India's Supreme Court on Tuesday cancelled his bail because of the gravity of the accusations.

India's Supreme Court on Tuesday cancelled bail granted to the founder of IT outsourcing firm Satyam, who is accused of staging the country's biggest corporate fraud.

B. Ramalinga Raju, the former head of Satyam whose declaration that he had falsified profits in January 2009 plunged India's corporate world into turmoil, was ordered to surrender to police by November 8.

The Supreme Court said the gravity of the accusations meant the lower court order of bail "cannot be sustained".

The top court also cancelled bail for four others accused in the case.

Raju and nine others are accused of embezzling around three billion dollars from Satyam, which was one of India's largest outsourcing companies that worked for one-third of the Fortune 500 firms when the scandal erupted.

Raju, who faces a slew of charges including [conspiracy](#), cheating and forgery, declared in a letter of confession he had overstated profits for years and inflated the company's balance sheet by over one billion dollars.

However, he backed out from the confession letter 18 months later, claiming it was a resignation letter.

Police maintain Raju's letter was a "voluntary disclosure of fraud".

Raju was given bail on health grounds by a court in the southern city of Hyderabad in August. He has been undergoing treatment for hepatitis at a hospital in the city, where Satyam is based.

India's federal investigating agency, the Central Bureau of Investigation (CBI), argued Raju's bail should be cancelled because he might "influence witnesses" and tamper with evidence.

The [Supreme Court](#) also ordered the lower court to complete its trial of Raju by July 31 of next year. The trial is slated to begin on November 2.

Tech Mahindra, a unit of Indian vehicle and farm equipment manufacturer Mahindra and Mahindra, later bought [Satyam](#), allaying

fears about its survival.

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