



CNR: KAHC010014622024

NC: 2026:KHC:52292
CRL.P No. 379 of 2024

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 22ND DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE RAJESH RAI K

CRIMINAL PETITION NO. 379 OF 2024

BETWEEN:

1. SALIM PASHA @ CHATNI SALEEM
S/O FAIROZ PASHA,
AGED ABOUT 43 YEARS,
R/AT NO.55, 1ST CROSS,
2ND MAIN ROAD,
B.M.LAYOUT, VENKATESHPURAM,
BENGALURU 560 045.
2. SYED JAVID @ GAS JAVID,
S/O LATE SYED SALAM SAHEB,
AGED ABOUT 47 YEARS,
R/AT NO.521, 4TH CROSS,
B.M.LAYOUT,, VENKATESHPURAM,
BENGALURU 560 045.

...PETITIONERS

(BY SRI. KULKARNI ABDULRASHEED
SIKANDER SAB, ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
BY KADUGONDANA HALLI POLICE STATION,
BENGALURU 560 045,
REP BY STATE PUBLIC PROSECUTOR,
HIGH COURT BUILDING,
BANGALORE 560 001.



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2. SRI. ARIF PASHA
S/O LATE ABDULLA SHARIFF,
(CORRECT NAME ABDULL SHARIFF),
AGED ABOUT 45 YEARS,
R/AT NO.166, DISPENSARY ROAD,
N.C.ROAD,
PARALLEL TO COMMERCIAL STREET,
SHIVAJINAGAR, BENGALURU 560 001.

...RESPONDENTS

(BY SRI.MAHESHA P., HCGP FOR R-1;
SRI.ARJUN S., ADVOCATE FOR R-2)

THIS CRL.P IS FILED U/S.482 OF CR.P.C PRAYING TO QUASH THE PROCEEDINGS AGAINST THE PETITIONERS - ACCUSED NO.8 AND 9 IN SPL.C.C.NO.1443/2019 (ARISING OUT OF KADUGONDANAHALLI POLICE STATION IN CR.NO.594/2018) FOR THE ALLEGED OFFENCE P/U/S 420, 406, 506, 120B OF IPC, SEC. 3, 4, 5 OF THE PRIZE CHITS AND MONEY CIRCULATION SCHEMES (BANNING) ACT, 1978 AND SEC. 9 OF KARNATAKA PROTECTION OF INTEREST OF DEPOSITORS IN FINANCIAL ESTABLISHMENT ACT, 2004 ON THE FILE OF XLVII ADDITIONAL CITY CIVIL AND SESSIONS JUDGE AND SPECIAL JUDGE FOR CBI CASES (CCH-48), BENGALURU.

THIS PETITION, COMING ON FOR FURTHER HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:



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CORAM: HON'BLE MR. JUSTICE RAJESH RAI K

ORAL ORDER

This petition is filed by the petitioners/accused Nos.8 and 9, under Section 482 of Cr.P.C. to quash the proceedings in Spl.C.C.No.1443/2019, arising out of Crime No.594/2018 dated 29.11.2018, filed by the Kadugondanahalli Police Station, Bengaluru, against the petitioners and other accused, for the offences punishable under Sections 420, 406, 506, 120(B) r/w 34 of IPC and Sections 3, 4 and 5 of Prize Chits and Money Circulation Schemes (Banning) Act and Section 9 of KPIDEF Act, 2004 pending on the file of XLVII ACC and SJ and Spl.Judge for CBI Cases, (CCH-48), Bengaluru.

2. The factual matrix of the case is that respondent No.2 lodged a complaint against accused alleging that, accused had established a company under the name and style of 'Aala Ventures Ltd.' and gave wide advertisement and conducted the seminars in order to pose ad-experts in the line of construction, trading and other activities and invited funds from the public. Believing on such advertisement of the accused, the complainant and his family members invested a huge sum of



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Rs.1,09,50,000/- in the scheme introduced by accused Nos.1 to 7. Initially, accused persons paid profit for few months to attract further customers and to expand the business. Thereafter accused persons failed to pay the profit to the complainant and the family members. As such he lodged the complaint.

3. During the course of the investigation, respondent Police, laid the charge sheet against 10 accused persons by arraying these petitioners as accused Nos.8 and 9. In the charge sheet the allegation against these petitioners is that whenever the customers visited the office, for repayment of their invested amount, these petitioners threatened them with dire consequences. After filing of charge sheet, learned Magistrate took cognizance of the aforesaid offences. Aggrieved by the same, petitioners have knocked the doors of this Court by preferring this petition.

4. Heard the learned counsel for the petitioners and learned HCGP. Despite service of notice, respondent No.2 remained absent.



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5. The primary contention of the learned counsel for the petitioners is that accused No.10, who stand in the similar footing as these petitioners, had preferred a petition in Crl.P.No.8477/2021 to quash the proceedings against him and the Co-ordinate Bench of this Court by the order dated 03.08.2023 has allowed the same. He also contended that in the charge sheet averments except omnibus allegation against these petitioners that they threatened the customers, the complainant and other investors while they had been to the office of accused Nos.1 to 7 asking for repayment of the amount, no other allegations are forthcoming against them to invoke the charge-sheeted offences. As such, he prays to allow the petition.

6. This prayer is opposed by learned HCGP on the ground that now the charge sheet has been filed and the statements of all the material witnesses clearly reveal the involvement of these petitioners. Accordingly he prays to dismiss the petition.

7. I have given my anxious consideration both on the submission and perused the entire materials available on record.



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8. As could be gathered from the records, the complaint averments do not disclose the participation of these petitioners in the alleged fraud. The allegations in the complaint are primarily directed against accused Nos.1 to 7, who are stated to have established the company, advertised the scheme, conducted seminars, collected amounts from the complainant and other investors and thereafter failed to repay the invested amounts. So far as these petitioners are concerned, there is no specific allegation attributing to them any role in inducing the complainant or other investors to part with their money, collecting the invested amounts or committing any act of cheating or criminal breach of trust. In the charge sheet, it is stated that these petitioners, in collusion with accused Nos.1 to 7, threatened the complainant and other investors when they visited the office of accused Nos.1 to 7 seeking repayment of their deposited amounts. However, even if the said allegation is taken at its face value, no specific role is attributed to these petitioners in the alleged transaction whereby the complainant and other investors were induced to invest their money.



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9. It is further not in dispute that accused No.10, who is similarly placed with these petitioners, had approached this Court in Crl.P.No.8477/2021 seeking quashing of the proceedings and the Co-ordinate Bench of this Court, by order dated 03.08.2023, has allowed the said petition. The allegations attributed to accused No.10 and the material available against him being substantially similar to those against the present petitioners, the principle of parity would squarely apply to the case of these petitioners. Having regard to the nature of the allegations made in the complaint and the material collected during the course of investigation, I am of the considered opinion that there is no justification to take a different view in respect of these petitioners.

10. In view of the above, permitting the proceedings to continue against these petitioners, in the absence of any specific material disclosing their involvement in the alleged fraud, would amount to an abuse of the process of law. Accordingly, on the ground of parity with accused No.10 and having regard to the material available on record, I am of the



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considered opinion that the petition deserves to be allowed.
Accordingly, the petition succeeds. Hence the following:

ORDER

- i. The criminal petition is ***allowed***.
- ii. The proceedings against the petitioners i.e., accused Nos.8 and 9 in Spl.C.C.No.1443/2019, arising out of Crime No.594/2018 dated 29.11.2018, filed by the Kadugondanahalli Police Station, Bengaluru, for the offences punishable under Sections 420, 406, 506, 120(B) r/w 34 of IPC and Sections 3, 4 and 5 of Prize Chits and Money Circulation Schemes (Banning) Act and Section 9 of KPIDEF Act, 2004 pending on the file of XLVII ACC and SJ and Spl.Judge for CBI Cases, (CCH-48), Bengaluru, is hereby quashed.

**SD/-
(RAJESH RAI K)
JUDGE**

GPG/List No.: 1 SI No.: 1