NAFR

HIGH COURT OF CHHATTISGARH, BILASPUR

MCRCA No. 706 of 2015

Pramlal Dewangan S/o Shankar Lal Dewangan Aged About 39 years R/o House No. 82, Riddhi - Siddhi Colony Dongargaon Road, Rajnandgaon, Police Station, Basantpur, Revenue & Civil District Rajnandgaon Chhattisgarh

---- Applicant

Versus

State Of Chhattisgarh Through : Police Station - Rajhara District Balod Chhattisgarh

---- Respondent

For Applicant	:	Shri D.K. Gwalre, Advocate
For Respondent/State	:	Shri Satish Guputa, Govt. Advocate

Order On Board

07/08/2015

Heard.

This application under Section 438 of Cr.P.C. has been filed by the applicant apprehending his arrest in connection with Crime No. 192/2015, registered in Police Station-Rajhara, Balod, for alleged commission of offence under Sections 3,4, & 5 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 and Section 58-F of the Reserve Bank of India Act, 1934.

Case of the prosecution, in brief, is that in the garb of Multi-State Cooperative Society, the applicant who is one of the Director and Chief Promoter of the Society is involved in banking activity offering lucrative return contrary to RBI norms and thereby committed offence under Sections 3,4 & 5 of the Prize Chits and Money Circulation Scheme Banning Act as also Section 58-F of the RBI Act.

Learned counsel for the applicant submits that unless there is specific allegation in a particular case either by member or by any other person that the applicant has collected money from members/nominal members by offering lucrative terms of return contrary to RBI norms or straightway providing loan facilities to person who are not members/nominal members of the Society, no case is made out. He submits that on unknown complaint, without there begin any incriminating material collected against the applicant, police has hurriedly registered offence under those provisions.

On the other hand, learned counsel for the State submits that unknown complaints have been received against the applicant and its Society that they are engaged in banking activities and providing loan without obtaining licence from RBI and engaged in activities of money circulation banned under the Act of 1978.

Upon being repeatedly asked, the State counsel could not satisfy by referring to any material in the case diary that the applicant has obtained deposits on terms of return contrary to RBI by providing loan to persons other than members of the Society and working as a financial institution. Therefore, I am inclined to protect the applicant.

The application is accordingly allowed. It is directed that in the event of arrest of the applicant in connection with the aforesaid offence, he shall be released on bail by the arresting officer on his furnishing a personal bond in the sum of Rs.25,000/- along with one local surety for the like amount to the satisfaction of the arresting officer with following further conditions that:

(i) the applicant shall disclose all the documents, records relating to functioning of the Society to the Investigating Officer within a period of one month from today;

(ii) the applicant shall make himself available for interrogation by the police officer as and when required;

(iii) the applicant shall not, directly or indirectly, make any inducement, threat or promise to any person acquainted with the facts of the case so as to dissuade him from disclosing such facts to the Court or to any police officer;

Certified copy as per rules.

Sd/-
(Manindra Mohan Shrivastava)
JUDGE

Praveen