

THE HON'BLE SRI JUSTICE C. PRAVEEN KUMAR

CRIMINAL PETITION NO.3104 of 2015

ORDER :

The petitioner, who is accused No.5, filed the present Criminal Petition under Sections 437 and 439 Cr.P.C. seeking enlargement on bail in connection with Crime No.17 of 2015 of Inkollu Police Station, Prakasham District for the offences punishable under Sections 409, 418 and 420 of IPC.

The Manager, State Bank of Hyderabad, Inkollu Branch lodged a report in Inkollu Police Station, Inkollu, the allegations of which are as under:

A1 to A4 are alleged to have taken loan from the State Bank of Hyderabad, constructed cold storage under the name and style of 'Inkollu Cold Storage' and the petitioner gave authorization to sign the document and to deal with bank transactions. Some farmers stored their agricultural produce in the cold storage, took loan from the State Bank of Hyderabad, Inkollu branch on pledging their produce by submitting a bond given by the cold storage and on a condition not to sell the produce without the consent of the Bank. But the farmers, who took the loan from the bank, are alleged to have sold their produces without the consent of the bank. Basing on these allegations, the present case came to be registered.

Heard learned counsel for the petitioner and learned Public Prosecutor appearing for the respondent-State.

The averments in the report disclose that the Manager of the cold storage failed to hand over the stock to the Bank so as to conduct auction in 67 accounts covering total dues to the bank at Rs.267 lakhs. It is stated that when the stock is stored in the cold storage, they did not find the stock pledged with the bank. Thus, it is stated that the management of the cold storage along with farmers have colluded and cheated to a tune of Rs.3,85,80,188/-

Learned counsel for the petitioner submits that the petitioner is innocent of the offences alleged against him and he has been acting on the instructions

of the directors.

Learned Public Prosecutor submits that the averments in the report discloses that the petitioner stood as guarantor to the said cold storage loans and directors have also authorized him to be their agent to the loan transactions.

A perusal of the C.D.File discloses that huge sums of money were been diverted. The averments in the present report discloses that the petitioner has not only stood as guarantor to the loans taken by the cold storage, but also he was authorized by the directors to act as their agent to do the bank transactions. Whether he was authorized by the directors and whether he has discharged his duties on the instructions of the cold storage management or not are the matters which needs to be investigated. At this stage, it is clear that the management in which the petitioner is also a part, sold away the stock which was pledged by the bank without paying the amount due. The public prosecutor, on instructions submits that when the bank wanted to have the stock for putting it into auction for recovery of dues to an extent of Rs.267 lakhs, it was found that Bank of Baroda, Chirala branch and IDBI Ongole claimed the rights against their stock.

In view of the allegations made, I see no reason to grant bail to the petitioner and the criminal petition is accordingly dismissed.

JUSTICE C. PRAVEEN KUMAR

13.04.2015

vhb