

HON'BLE THE ACTING CHIEF JUSTICE DILIP B. BHOSALE
AND
THE HON'BLE SRI JUSTICE P. NAVEEN RAO

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Writ Petition No. 11381 of 2009

Date:28.04.2016

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Between:

Corporate Frauds Watch Society,
Vijayawada,
Krishna District.

.....Petitioner

And

The Government of Andhra Pradesh,
Represented by its Chief Secretary to Government,
Hyderabad and others.

... Respondents

HON'BLE THE ACTING CHIEF JUSTICE DILIP B. BHOSALE
AND
THE HON'BLE SRI JUSTICE P. NAVEEN RAO

Writ Petition No. 11381 of 2009

PC:(Per the Hon'ble the Acting Chief Justice Dilip B. Bhosale)

Heard learned counsel for the parties.

This writ petition was filed in the year 2009 for the following relief:

“For the reasons stated in the accompanying affidavit, the petitioner herein pray that this Hon'ble Court may be pleased to issue writ of mandamus to direct the official respondents to act U/s. 7 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 to stop the business transactions as well as seize all its business operations of Amway since the business model and its transactions are perpetuating the criminal offences fall within the mischief of the above Act and in terms of the judgment of this Hon'ble Court in W.P. Nos. 20470 and 20471 of 2006, dt. 19.7.2007 and to pass such other order or orders as this Hon'ble Court may deem fit and proper in the circumstances of the case.”

Petitioner has filed affidavit dated 27.4.2016 and in paragraphs 2,3 and 4, stated thus:

“2. I respectfully submit that our society has filed the present writ petition against the public menace of promotion and fostering of the illegal Money circulation scheme by the respondent No.27 even after this Hon'ble High Court in W.P. Nos. 20470 and 20471 of 2006 [reported vide 2007 (4) ALT 808 (DB)] held that the business scheme of respondent No.27 is nothing but promotion of illegal money circulation scheme. Further, on appeal against the order dated 19.7.2007 of the Hon'ble High Court in WP Nos. 20470 and 20471 of 2006 by respondent No.27,;the Hon'ble Supreme Court of India was pleased to dismiss SLP Nos. 13414 and 13415 of 2007 filed by respondent No.27.

3. I further respectfully submit that the then united Government of

A.P. issued an order vide G.O. Ms. No.178, Home (General-B) Department, dated 15.9.2008 restraining and prohibiting respondent No. 27 from issuing advertisements pertaining to the promotion and fostering of Prize Chits or Money Circulation Schemes.

4. I further respectfully submit that inspite of all this, the respondent No.27 has been issuing advertisements with an ulterior motive of promoting and fostering illegal money circulation scheme under the camouflage of fabulous and mind tempting commissions to upline members including Non-Residents of India and Foreigners in flagrant contravention of provisions of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 with impunity. Despite all this, no action has ever been initiated until now against respondent No.27 by the official respondents to prevent and stop respondent No.27 from promotion and fostering the illegal money circulation scheme.”

From the contents of the above paragraphs, it appears that the scheme that was under challenge in the writ petition was stopped by virtue of G.O. Ms. No. 178, dated 15.9.2008. According to the petitioner, even now respondent No.27 has been issuing advertisements with an ulterior motive of promoting and fostering the Money Circulation Scheme. In view thereof, and having considered the nature of prayer and the contents of the affidavit dated 27.4.2016, we are satisfied that the following order shall meet the ends of justice:

“If respondent No. 27 is running any Money Circulation Scheme, as of today, illegally, the concerned authority of respondent Nos. 1 to 4 shall take action against them forthwith, in accordance with law and if necessary, may lodge prosecution against them.”

The registry is directed to communicate this order to the Director General of Police (State of Telangana) forthwith. Learned Government Pleader for Home appearing for

respondent Nos. 1 to 4 is also directed to communicate this order to the Director General of Police (State of Telangana) for necessary action.

The writ petition is disposed of with the above direction.

Consequently, pending miscellaneous petitions, shall also stand closed.

DILIP B. BHOSALE, ACJ

P. NAVEEN RAO, J

28th April, 2016

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