THE HON'BLE SRI JUSTICE C. PRAVEEN KUMAR

CRIMINAL PETITION No.1266 OF 2016

ORDER:

Heard the learned counsel for the petitioner and the learned Public Prosecutor.

2. The petitioner, who is accused No.1, filed the present Criminal Petition under Sections 437 and 439 of the Code of Criminal Procedure, 1973, seeking enlargement on bail in connection with Crime No.75 of 2015 of Duvvada Police Station, Visakhapatnam, registered for the offences punishable under Section 420 read with 34 of the Indian Penal Code, 1860, Section 5 of the Andhra Pradesh Protection of Depositors of Financial Establishments Act, 1999 and Section 4 of the Prize Chits and Money Circulation Scheme (Banning) Act, 1982.

3. The case of the prosecution as culled out from the First Information Report is that the informant is a resident of Tirumala Nagar. The petitioner, who is a resident of H.No.30-82-1/290, used to maintain a private chit fund business in her own house at Tirumala Nagar. The informant along with others deposited huge amounts in the chits run by the petitioner. She used to maintain group chits ranging from Rs.50,000/- to Rs.5,00,000/-. After completion of the chit period, the petitioner used to drag re-payment of final chit amount on one pretext or the other. On 16.12.2015 when the informant and others went to her house and asked about chit amounts, the petitioner warned them to go and inform whomever they want and refused to pay. She also threatened to foist false cases against them stating that her brother-in-law is in Commissionerate Office. With the money collected through chits, the petitioner had purchased properties

including lands and buildings on benami names and leading luxurious life. The petitioner used to make endorsements in small books maintained by the informant and others after collecting the chit amount. Basing on these allegations, the present case came to be registered.

4. Learned counsel for the petitioner mainly submits that the petitioner herein was arrested on 29.12.2015 and since substantial investigation is completed and the petitioner has two small children, he seeks enlargement on bail.

5. Learned Public Prosecutor opposed the same stating that the allegations made in the report are serious in nature and since the investigation is still pending, it will not be proper for the Court to grant bail to the petitioner.

6. A perusal of the record, more particularly the First Information Report and Remand Case Diary would disclose that in all an amount of Rs.1,03,76,940/- was said to have been collected from 14 innocent members. It is further discloses that the petitioner used to lure them by offering prize money in the form of profits during auctions, made them to join as chit members and collected the amounts. A.1 used to sign in the small books and papers issued to the members in token of receiving the instalments from the members. A.2 and A.3 were found to be assisting A.1 in the above business and enjoying the profits.

7. It may be true A.2 and A.3 were granted anticipatory bail by this Court, but the role attributed to A.2 and A.3 is different from the role attributed to A.1 in running the chit fund business.

8. In view of the nature of the allegations made, wherein A.1 collected huge amounts from the innocent public and as the

investigation is still pending, I am not inclined to grant bail to the petitioner at this stage.

9. Accordingly, the Criminal Petition is dismissed.

JUSTICE C. PRAVEEN KUMAR

Date:19.02.2016
INL