THE HON'BLE DR.JUSTICE SHAMEEM AKTHER

CRIMINAL PETITION No.13301 OF 2018

ORDER:

This Criminal Petition, under Section 438 of the Code of Criminal Procedure, 1973, is filed by the petitioner/A.3, for grant of bail in Crime No.170 of 2018 of Central Crime Station, Hyderabad, registered for the offences punishable under Sections 406, 409, 420 and 506 of IPC and Section 5 of Telangana Deposits of Financial Establishments Act, 1999 and Sections 3, 4, 5 and 6 of the Price Chits and Money circulation scheme (Banning) Act, 1978.

2. Heard the learned counsel for the petitioner/A.3, the learned Additional Public Prosecutor representing the respondent-State and perused the record.

3. Learned counsel for the petitioner/A.3 would submit that the petitioner/A.3 admits that he is the son of A.1. However, he has nothing to do with the business or any other affairs of A.1. There was divorce between his father and his mother-A.1 long back. Thereafter, the petitioner has been living with his father and having different occupation, and that even in the passport obtained by the petitioner/A.3, he has entered the name of his step mother. At no point of time, the petitioner met the employees of A.1. He has only two savings bank accounts, where the balance amount is about Rs.30,000/- and Rs.75,000/-. At no point of time, the petitioner directly or indirectly indulged in the business affairs of A.1. The petitioner is ready to cooperate with the investigation officer and answer all the queries that would be put to him. The arrest of the petitioner is not required for the purpose of investigation of this case and ultimately, prayed to allow the petition.

4. Learned Additional Public Prosecutor representing the State opposed the grant of bail to the petitioner/A.3 and contended that the petitioner has several bank accounts wherein crores of rupees were transferred from the business accounts of A.1. The petitioner/A.3 is continuously meeting the employees of A.1. On 22.09.2017, an amount of Rs.1.70 lakhs was transferred to the account of the petitioner/A.3 from the business account of A.1. There are also several transactions running in crores of rupees in between the accounts of A.1 and the petitioner/A.3 and ultimately, prayed to dismiss the petition.

5. The submissions made by both sides and the material placed on record reveal that the petitioner/A.1 has been doing business across India and abroad and indulged in obtaining crores of rupees from investors by cheating them. Thousands of crores of rupees are transferred to unknown accounts by A.1. There is specific allegation against the petitioner/A.3 that he colluded with his mother and collected crores of rupees in the form of deposit in different modes of schemes from thousands of investors. There are also allegations against the petitioner/A.3 engaging Agents and Marketing Executives to collect money in different modes from the public. As per the submissions made, around Rs.5,000 crores were collected by the business establishment floated by A.1. The petitioner/A.3 is an active participant in that business. There is also substantial record to establish that the petitioner/A.3 has been meeting the Directors and key employees of A.1 in Dubai and Rs.1.70 crores was transferred to the accounts of the petitioner/A.3.

6. Further, there is also transfer of huge money on different dates from the business establishments of A.1 to the account of the

petitioner/A.3. Further, it is borne by record, on different occasions, i.e., on 03.11.2018, 23.11.2018, 29.11.2018 and 06.12.2018, the investigating agency had issued notices under Section 41-A of Cr.P.C. to the petitioner/A.3's address i.e., Plot No.30B, Banjara Hills, Road No.12, MLA Colony, Hyderabad. Even then he did not choose to appear before the investigation officer. There is also record to establish that the petitioner owns a house bearing No.8-2-395, Villa No.26, 4th view residency Paramount Colony, Towlichowki, Hyderabad. There is also record to establish that the petitioner holding other immovable properties. The specific allegation against the petitioner/A.3 is that he collected huge money, making false promises, that money is diverted to unknown destinations. It is also established from the record that the petitioner/A.3 has got an Account No.918020088310620 and his wife has got an Account No.917010082822402 in Axis Bank, wherein huge amount was diverted to that account in collusion with A.1. As seen from the record, the petitioner did not have any own business and has no capabilities to make crores of rupees and there is no record to show that he has filed income tax returns for the money lying in his bank account. There are so many other grave allegations against the petitioner/A.3. When huge money is collected by adopting different tactics and measures by deceiving innocent public, a thorough custodial investigation is required. When the petitioner has knowledge of issue of notice under Section 41-A of Cr.P.C., he ought to have approached the Investigation Officers. He did not do so. Further, a lookout notice was also issued against the petitioner/A.3. Under these circumstances, it cannot be held that no custodial interrogation is necessary. In the event of granting bail under Section 438 Cr.P.C., there is possibility of petitioner fleeing from justice. The petitioner is not entitled for bail under Section 438 Cr.P.C. The petition is devoid of merit and is liable to be dismissed.

7. Accordingly, the Criminal petition is dismissed.

DR. SHAMEEM AKTHER, J

Date: 26.12.2018
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