

THE HONOURABLE SRI JUSTICE B.VIJAYSEN REDDY

CRIMINAL PETITION No.4685 OF 2023

ORDER:

This Criminal Petition is filed under Section 438 of Cr.P.C., seeking anticipatory bail to the petitioners/accused Nos.2 to 5 in the event of their arrest in connection with Crime No.25 of 2023 of Cherla Police Station, Bhadrachalam-Kothagudem District, registered for the offences punishable under Sections 420 of Indian Penal Code, Section 5 of Protection of Depositors Financial Establishment Act, 1999 and Section 4 of Chit Fund Act.

2. Heard learned counsel for the petitioners and learned Additional Public Prosecutor representing the respondent-State. Perused the record.

3. The case of the prosecution, in brief, is that accused No.1 along with his son Koti Vijay Bharat Raj (accused No.2) is maintaining private chits since long time at his house, situated at Ambedkar Nagar, Cherla. Accused Nos.3 and 4, who are the wives of accused No.1, had been co-operating with accused No.1 in running the said chit business. Accused No.5, who is the wife of accused No.2, also had been collecting money from the chit members. About two years back, accused No.1 gathered the complainant and several ladies of their village and took them into

confidence by saying that if they join the chit, they will get financial strength. By believing his words, the complainant joined in one chit worth Rs.4,00,000/-, three chits worth Rs.2,00,000/- and two chits worth Rs.50,000/-. On receiving money from the chit members, the accused persons used to enter the same in a small note book and put their signatures. The entries were also made in another book, which was kept with the chit owner. The chit installments were paid by the chit members at the house of the accused persons. On completion of the chit installments, the complainant asked accused persons to return the amounts, but the accused persons had been giving evasive replies and they started postponing the payments on one pretext or the other. After waiting for six months, the complainant along with other members has questioned the accused. Then, the accused replied that they will not pay the amounts. It is alleged that the complainant and other members have deposited a sum of Rs.20,00,000/-, in total, towards chit installments and, therefore, requested the Police to take necessary action.

4. Learned counsel for the petitioners submits that the petitioners have not committed any offence and they have been falsely implicated in the case. She further submits that entire

investigation has been completed and prayed this Court to grant anticipatory bail to the petitioners.

5. Learned Additional Public Prosecutor opposed the bail application stating that the petitioners have cheated innocent people with their deceitful words and dishonestly induced their amount.

6. On reading the contents of Remand Case Diary of accused No.1, who was arrested on 18.03.2023, it can be seen that accused Nos.1 and 2 had been running the chit business since long time. Though vague allegations are made that petitioner Nos.2 to 4/accused Nos.3 to 5 had been co-operating with accused No.1 in doing chit business, there is no specific instance of petitioner Nos.2 to 4/accused Nos.3 to 5 in luring or collecting money from the chit members or the complainant.

7. At this juncture, learned counsel for the petitioners seeks permission of this Court to withdraw the criminal petition insofar as petitioner No.1/accused No.2 is concerned.

8. Taking into consideration the fact that substantial part of investigation has been completed and since no specific allegations are made against petitioner Nos.2 to 4/accused Nos.3 to 5, the

request of the petitioner Nos.2 to 4/accused Nos.3 to 5 can only be considered on the following conditions:-

- i) Petitioner Nos.2 to 4/accused Nos.3 to 5 are directed to surrender before the Court concerned, within two weeks from the date of receipt of a copy of this order. On such surrender, they shall be enlarged on bail, on their executing a personal bond for a sum of Rs.10,000/- (Rupees Ten Thousand only) each with two sureties in a like sum each to the satisfaction of the Court concerned.
- ii) In case, petitioner Nos.2 to 4/accused Nos.3 to 5 hold passports, they are directed to surrender the same before the Court concerned.
- iii) Petitioner Nos.2 to 4/accused Nos.3 to 5 shall abide by the other conditions stipulated in Section 438(2) of Cr.P.C and shall co-operate with the Investigating Officer in investigating the case.

9. In the result, the Criminal Petition is allowed insofar as petitioner Nos.2 to 4/accused Nos.3 to 5 are concerned and dismissed as withdrawn insofar as petitioner No.1/accused No.2 is concerned.

B.VIJAYSEN REDDY, J

1st June, 2023.
va/svl

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Date:01.06.2023

va/svl