IN THE COURT OF THE JUDICIAL FIRST CLASS MAGISTRATE-II
CHERTHALA.

Present: Smt. Aminakutty P. M,Judicial First Class Magistrate-II
Dated this the 29th day of April, 2026

C.C. No. 1034 of 2017

Complainant	:	State of Kerala represented by the Police Sub Inspector, Muhamma Police station in crime No.1004/2015 (By Assistant Public Prosecutor-II Cherthala)
Accused	:	A1. Prasannan, aged 47/15 S/o Maniyan, Puthen veedu, Mundappallichirayil, Kumarapuram Panchayath, Erikkavu P O. (By Adv. Sri. Jettin K J) A2. Saleena Shaji, Aged 38/16, W/o Shaji, Kuzhikkala Kizhakkathil, Chingoli Panchayath, Ward-XII (By Adv. Sri. Sibi B) A3. Biju Kumar, Aged-38/15, S/o Vasootty, Assarissey Veedu, Ward-10, Arattupuzha Panchayath, Arattupuzha P O A4. Aswathy, Aged-30/15 S/o Bijukumar,Assarissey Veedu, Ward-10, Arattupuzha Panchayath, Arattupuzha P
Offence	:	U/ss. 420 & 34 of IPC
Plea	:	Not guilty

Finding : Not found guilty

Sentence or order : **A1 and A2 are acquitted under section 255 (1) of the Code of Criminal Procedure. Case against A3 and A 4 is split up and refiled as CC1655/17.**

Description of accused

Sl. No.	Name of police station & crime No.	Name of accused	Father's Name	Occupation	Residence	Age
1.	Muhamma Cr. No. 1004/15	Prasannan	Maniyan	--	Puthen veedu, Mundappallichirayil, Kumarapuram Panchayath, Erikkavu P O.	47/15
2	Do	Saleena Shaji	Shaji		Kuzhikkala Kizhakkathil, Chingoli Panchayath, Ward-XII	38/16

Date of

Occurrence	Complaint	Appearance of accused	Released on bail	Commencement of trial
26.09.2013 to 13.12.2014	05.09.2016	10.04.2018	10.04.2018	30.03.2022
26.09.2013 tto 13.12.2014	05.09.2016	04.02.2029	04.02.2019	30.03.2022

Close of trial	Sentence or order	Explanation for delay
24.04.2026	29.04.2026	-

This case coming on for hearing on this day and the court on the same day passed the following:

JUDGMENT

This is a case charged by the Sub Inspector of Police**,** Muhamma Police Station in Crime No.1004 of 2015, alleging the offences punishable U/Ss. 420 & 34 of Indian Penal Code, 1860 (hereinafter in short as IPC).

2. Prosecution case in brief is as follows:- With an intention to obtain wrongful gain for themselves and thereby cause wrongful loss to CW1 and others, the accused persons, during the period from 26.09.2013 to 13.12.2014, conducted chitti operations under the name *Viswamkuri's and Prashamsa Chittis*, at Puthanangadi Junction, near Thanneermukkam Panchayath, Ward No. 11, falsely representing that the company was duly authorized by the Government and registered as Chitty No. 2819 of 2013. CW1 joined the chitti on 26.09.2013 with a sala value of ₹5,00,000, CW2 joined on 28.09.2013 with a sala value of ₹5,00,000, CW3 joined on 24.09.2013 with a sala value of ₹30,000, CW4 joined on 14.10.2013 with a sala value of ₹30,000, CW5 joined on 30.11.2013 and 24.12.2013 with sala values of 12000/- each ₹30,000, CW6 joined on 30.11.2013 with a sala value of ₹50,000, and CW7

joined on 28.9.2013 with a sala value of ₹12,000. In total, the accused collected ₹1,45,549 from CW1 to CW7, and without repaying the said amounts, they abruptly closed the chitti company and absconded, thereby committed offences punishable under Sections 420 and 34 of the IPC.

3. On appearance of the 1st and 2nd accused, copies of all relevant documents relied on by the prosecution were furnished to them U/s.207 Cr. P.C and they were released on bail. The accused were defended by the counsel appointed by them. After hearing both sides, charge was framed for the offences punishable U/ss. 420 & 34 of IPC and read over and explained to the accused to which they pleaded not guilty. Since A3 and 4 were absconding, their case is split up.

4. In order to prove the prosecution case, PW1 to PW15 were examined and Exts P 1 to P 26 were marked . After closing the prosecution evidence, the accused were questioned u/s 313(1) (b) of Cr P C. They denied all the incriminating circumstances appeared in evidence against them. Thereafter, the accused were called upon to enter upon their defence and adduce evidence. From the side of defence, no evidence was adduced.

5. Now the points to be decided in this case are:-

1. Whether the accused, with a dishonest intention to deceive CW1 to CW7, during the period from 26.09.2013 to 13.12.2014, conducted chitti operations under the name *Viswamkuri's and Prashamsa Chittis*, at Puthanangadi Junction, near Thanneermukkam Panchayath, Ward No. 11, falsely representing that the company was duly authorized by the Government and registered as Chitty No. 2819 of 2013. CW1 joined the chitti on 26.09.2013 with a sala value of ₹5,00,000, CW2 joined on 28.09.2013 with a sala value of ₹5,00,000, CW3 joined on 24.09.2013 with a sala value of ₹30,000, CW4 joined on 14.10.2013 with a sala value of ₹30,000, CW5 joined on 30.11.2013 and 24.12.2013 with sala values of 12000/- each ₹30,000, CW6 joined on 30.11.2013 with a sala value of ₹50,000, and CW7 joined on 28.9.2013 with a sala value of ₹12,000. In total, the accused collected ₹1,45,549 from CW1 to CW7, and without repaying the said amounts, they abruptly closed the chitti company and absconded, in furtherance of their

common intention and thereby committed the offence of cheating as as alleged ?.

2. If so, what is the order or sentence to be passed?.

6. Heard both sides.

7. Point No.1 : Prosecution relied on the oral testimony of PW1 to PW15 and Exts P 1 to P26 prove the case. PW1 deposed that he had joined a chitti in the name *Vishwam kuris* in the year 2013, having a sala value of ₹30,000, and had paid a total of ₹16,000. The agents were Ashwathy and Biju, who informed him that the chitti was taken in his favour and agreed to pay him money after one month. It was agreed that the amount would be paid by December 2014. Subsequently, when he contacted them over phone, he was informed that the chitti had been closed. He further stated that after four to five months, the partners were changed to A1 and A2, during whose period payments were made and receipts issued, which were also endorsed in his passbook in August. He handed over the said passbook to the police, which was marked as Exhibit P1. After the change of partnership, the name of the chitti was altered to *Prashamsa Chittis*, and the passbook was endorsed accordingly. He identified A2 in court. During cross-examination, PW1 admitted that he had joined the chitti around middle of November 2013 , that the chitti had either 20 or 30 instalments, and that he was uncertain whether the monthly instalment was ₹1,500 or ₹1,000. He stated that Ashwathy and Biju were the foremen, that he had paid 13 instalments, and that the agents collected the money and issued receipts. He did not verify whether the agents deposited the money in the institution, nor was he certain whether *Vishwam kuris* was registered in the names of Ashwathy and Biju. He did not verify any document to show that the chitti was taken over by A1, nor did he see the four accused persons sitting together. He was unaware of the date when the first accused took over the chitti and admitted that his knowledge about the change of names was only hearsay. He did not verify the documents of *Vishwam kuris*. He lodged a complaint regarding the loss of money in 2017 but was unaware of the exact date of the complaint.

8. PW2 deposed that he had joined a chitti in the year 2013. On 30.11.2013, while engaged in fishing snails, he had joined a chitti having a sala value of ₹50,000, and in August of the same year he had also joined another chitti having a sala value of ₹30,000. He remitted about ₹25,000 in total. When thereafter the persons did not come to collect the money, he made enquiries and

was informed that *Vishwam kuris* was terminated and the institution closed. He lodged a complaint before the Superintendent of Police, Alappuzha, in 2017. He did not receive any amount back. He stated that he had paid the last instalment on 12.05, and his passbook relating to the chitti of sala value ₹50,000 was marked as Exhibit P2, while the passbook relating to the chitti of sala value ₹30,000 was marked as Exhibit P3. It was the agent who collected the amount, but he did not see the accused or the partners of the chitti. During cross-examination, PW2 admitted that he was unaware of the class of the chitti. He stated that the chittis had 20 instalments and that he had paid ₹2,500 each. It was Leela and Geeta who collected the money. He did not sign the chitti documents. He stated that it was a registered chitti and that the foreman was the first accused, but he did not verify the documents showing the same.

9. PW3 deposed that she had joined a chitti as directed by agents Geeta and Maya, and accordingly enrolled in a chitti under the name V*ishwam kuris* having a sala value of ₹12,000. It was Biju and Aswathy who facilitated her joining. She was required to pay ₹600 per month. After some time, the partners of the chitti were changed. Her passbook was produced and marked as Exhibit P4. She stated that she was unaware of the class of the chitti or the total

number of instalments, and that she had been paying the amount through agents. On occasions when the agents did not come, she deposited the money directly in the office. She could not recall whether she had signed the chitti documents. She stated that Maya was the foreman of the chitti. She had paid a total of ₹7,760. She admitted that she did not verify the documents of *Vishwam kuris*.

10. PW4 deposed that she had been working in *Vishwamkuris* from 2013 until December 2014. It was Ashwathy and Biju who had been conducting the chitti operations. Her duty was to record the accounts of the cash collections brought in by the cashier. Another staff member named Sangeeta also worked there, while Neelima and Geeta were the collection agents. The money collected by the agents was handed over to Ashwathy and Biju. The chittis were of sala values ₹30,000, ₹12,000, and ₹3,000. Some persons were paid the chitti amount, while others still had dues to pay. In May, the chitti was handed over to the prasannan (A1) and Saleena Shaji (A2), and thereafter the name of the chitti was changed to *Prashamsa Chittis*. The sister of the Prashannan, acted as the manager. Subsequently, in November, the institution was closed, and PW4

stated that she was unaware of the details thereafter. The building owner was Radhakrishnan.

11. In cross-examination, PW4 admitted that she had joined the institution only as a staff member, that no contract was signed with the owner, no muster roll was maintained, and they were not enrolled in the welfare scheme of the labour office. She was unaware of the number of members in *Vishwamkuris*. She stated that the sala value of the chitti was ₹28,000, that she was unaware of the foreman. She was paid in cash. She was unaware of the date when A1 and A2 took over the institution . She admitted that her knowledge of the same was hearsay. She confirmed that there was no agreement.

12. Pass book of the firm was produced and marked as Exhibit P5, which showed that chitti money was given by people till 14.10.2014, and thereafter no payments were made. The chitti collection book , named D1 and D2, were marked as Exhibit P6, containing details of collections till December 2014. The register showing the chitti statement was marked as Exhibit P7, containing details till 02.01.2014. The register showing remittance of chitti money was marked as Exhibit P8, containing entries from 2013 to 01.04.2014.

The daily collection register , named C2, C3, and C4, marked as Exhibit P9, containing details up to the closure of the institution.

13. PW5 deposed that she had been working as a collection agent of *Vishwamkuris* in the year 2013. During cross-examination she admitted that, as per the documents, the chitti had commenced in 2013. She further admitted that some persons had received the chitti money, some had to repay the amount, and some discontinued without paying. She stated that it was Ashwathy and Biju who were running the chitti business. She used to entrust the collection amounts to the office staff named Sona and Sangeeta. She worked in the chitti company until June 2014. Thereafter, she came to know that the company was handed over to another person, and subsequently shut down. PW6 testified regarding the mahazar prepared by the police while taking into custody the books of the chitti company. The mahazar was marked as Exhibit P10. He stated that he was unaware of the details of the mahazar and the attestation. PW7 admitted his signature in the seizure mahazar prepared by the police, which was marked as Exhibit P11. He stated that he was unaware of the details of the attestation but identified the signature as his own since it resembled his usual signature.

14. PW8, the Sub Registrar at Puthanambalam Sub Registrar Office, who worked there from 2013 to 2017, deposed that nobody had appeared before him for registering the chitti and that he had not issued any certificate showing that the chitti was registered. PW9 deposed that she had been working as a collection agent in *Vishwamkuris* during 2013 and continued until 2014. She collected chitti amounts from houses and remitted them at the Puthanangadi branch of *Vishwamkuris*. She stated that Ashwathy and Biju were running the business, which was later taken over by A1 and A2, who subsequently closed the chitti. She was unaware of the details of the company thereafter. She further stated that she was present in the institution when the chitti operations were terminated. PW10 denied his signature in the seizure mahazar which was prepared by the police while taking into custody the passbook. He stated that the signature appearing therein was not his.

15. PW11 deposed that he had recorded the statement of CW1 on 26.09.2015 at Muhamma Police Station. The First Information Statement was marked as Exhibit P12, and he registered Exhibit P13 FIR. He admitted that he was not certain whether CW1 had given a written complaint, nor was he aware whether the said complaint contained allegations against A1 and A2.

16. PW12 deposed that he had joined a chitti of sala value ₹50,000 and had paid a total of ₹31,215. He stated that he joined the chitti as directed by an agent. On a subsequent morning, the chitti was closed and the persons in charge absconded. He handed over his passbook to the police. During cross-examination, PW12 admitted that he had joined the chitti in 2017. He was unaware of the date of termination of the chitti or the class of the chitti. He further admitted that he had not signed any document at the time of joining.

17. PW13 deposed that he had joined a chitti in the year 2014 under the name *Vishwamkuris*, with a sala value of ₹4,30,000. The collection agents were Leelama, Sangeetha, and Sona. He had paid a total of ₹19,165. He stated that subsequently the name of the chitti was changed to *Prashamsa Chittis*, and A2 became one of the new partners. He alleged that they cheated him by promising repayment and thereafter absconded. He was unable to contact them over phone. He handed over his passbook to the police, which was marked as Exhibit P14.

18. During cross-examination, PW13 admitted that he was unaware of the name of the foreman of the chitti. He stated that he had joined another chitti in 2016, which had 20 instalments, requiring him to pay ₹1,500 per month

towards a sala value of ₹30,000. He was issued a passbook duly signed and entered. He admitted that he did not verify any document showing the change of name of the chitti to *Prashamsa Chittis*, nor did he see any document relating to *Prashamsa Chittis*.

19. PW14 deposed that while serving as Sub-Inspector of Police at Muhamma Police Station, on 26.09.2015, he took over the investigation. He filed a report showing the correct name and address of A1, which was marked as Exhibit P15. Thereafter, A1 was formally arrested at Kollam Sub-Jail, and the arrest memo was marked as Exhibit P16. The accused was produced before the court and police custody was obtained from 12.10.2015 to 14.10.2015, during which he recorded the confession statement of the accused. He recovered registers of the chitti from the institution situated at Tanneermukkam Panchayath, Ward No. 9, and prepared Exhibit P11 recovery mahazar. The registers were produced before the court along with Form 15, which was marked as Exhibit P17. He further prepared Exhibit P10 mahazar verifying the chitti passbook of CW1, Exhibit P18 mahazar verifying the passbook produced by CW2, Exhibit P19 mahazar verifying the passbook produced by CW6, and Exhibit P20 mahazar verifying the passbook of PW4 and CW5. Subsequently,

accused Nos. 3 and 4 surrendered before the court pursuant to the Sessions Court order, and they were released on bail. The bail bond was produced before the court and marked as Exhibit P21 series. Three passbooks were taken into custody and Form 15 series were prepared, which were marked as Exhibit P22 series. He identified Ext P 7 , 9 and P8 registers which were taken into custody by him during the course of his investigation. He also identified the passbooks taken by him during the course of investigation which were marked as Exts P 23 to 25.

20. During cross-examination, PW14 admitted that he did not verify the sala values of the chittis run by the accused. He stated that the foremen of *Vishwamkuris* were Ashwathy and Biju, who are the third and fourth accused. He admitted that the date of commencement of the chitti was not mentioned in his investigation report. He did not see any documents signed by the members of the chitti. He did not verify the date when *Vishwamkuris* was changed into *Prashamsa Chittis*. No documents were produced before the court to show that *Vishwamkuris* was changed to *Prashamsa Chittis*, nor to show that *Vishwamkuris* was run by A1 and A2. He admitted that the confession statement of the accused was not produced before the court. He further admitted that the

building number of the premises inspected was not produced, and at the time of search the premises were in the exclusive possession of its owner, Radhakrishnan. He did not recover documents showing the daily collections and receipts.

21. PW14 further admitted that he did not verify any document to show that the amounts collected were handed over to the accused persons. No documents were produced to show that staff members were working in the institution. He had not conducted any investigation regarding the return of chitti amounts to the witnesses. He did not verify any document to show that A1 and A2 had received money from CW1 to CW7. He identified Exhibit P7 and Exhibit P9 documents, as well as passbooks marked as Exhibits P1 to P4, P14 to P23, and P24 and P25.

22. PW15 deposed that while serving as Sub-Inspector at Muhamma Police Station on 13.07.2016, accused No. 2 appeared before him along with the order of the Hon’ble High Court of Kerala, pursuant to which he issued bail. He filed a report showing the correct name and address of accused No. 2, which was marked as Exhibit P26. He admitted that he did not conduct

any investigation and that he filed the final report only after verifying the records.

23. The learned counsel for the accused contended that the chitti commenced on 26.09.2013 under the management of A3 and A4, and that there is no document before the Court to show that *Vishwamkuris* was subsequently changed into *Prashamsa Chittis*. It was argued that PW1 to PW7 had joined the chitti named *Vishwamkuris,* which was started on 26.09.2013, and that there is no evidence to prove that A1 and A2 had taken over the management with any dishonest or deceitful intention to cheat the witnesses. The defence maintained that the prosecution case is a fabricated case.

24. On perusal of the records, it is seen that although CW1 to CW7 had joined the chitti named *Vishwamkuris* run by A3 and A4, none of the witnesses produced any document to show that A3 and A4 had conducted the chitti in the said name, or that it was later changed to *Prashamsa Chittis* and taken over by A1 and A2. There is no reliable evidence to establish that the amounts collected from CW1 to CW7 were remitted to the institution run by A3 and A4. No document has been produced to prove that the accused persons had received the chitti amounts collected from CW1 to CW7. Likewise, no material

is available to show that *Prashamsa Chittis* was run by A1 and A2. None of the witnesses have spoken about the foreman of the chitti, nor have any registration details of the chitti been produced. It is further noted that CW1 (PW13) himself was inconsistent regarding the monthly instalments paid and the total number of instalments of the chitti. In view of the inconsistencies in the testimonies of the witnesses , coupled with the absence of proof connecting A1 and A2 with the alleged chitti operations, and in the absence of evidence of their dishonest intention to make unlawful gain for themselves and to cause unlawful loss to CW1 to CW7, this Court is of the considered opinion that the prosecution has failed to prove the guilt of the accused beyond reasonable doubt. Accordingly, the accused are entitled to acquittal. This point is found against the prosecution.

25.. **Point No.2 :** - In view of my findings on point No 1 , the accused Nos 1 and 2 are found not guilty of the offences alleged against them and they are entitled to get acquitted.

26. In the result, accused 1 and 2 are found not guilty for the offences punishable U/ss. 420 & 34 of IPC and they are acquitted under section 255 (1) of the Code of Criminal Procedure. They are set at liberty and

the bail bonds executed by the accused are cancelled. Since A3 and A4 are absconding, case against them is split up and refiled as CC 1655 /17.

Directly dictated to Adalath AI, corrected and pronounced by me in open Court on this the 29th day of April, 2026.

Sd/-
Aminakutty. P.M.
Judicial First Class Magistrate-II,
Cherthala

APPENDIX

Witnesses examined for prosecution:

PW1	-	Kunjumon
PW2	-	Anirudhan
PW3	-	Sumathi
PW4	-	Sona
PW5	-	Geetha
PW6	-	Appachan
PW7	-	Renju
PW8	-	Thresiyama
PW9	-	Leelamma
PW10	-	Sahiju
P11	-	Ignatius M M
P12	-	Purushothaman
P13	-	Joseph Varkey
PW14	-	K K Maheswaran (SI)

PW15	-	Prathap Chandran C C

Exhibits marked for the prosecution :

P1	-	Pass book of PW1
P2	-	Passbook marked through PW2
P3	-	Passbook Marked through PW2
P4	-	Passbook marked through PW3
P5	-	Paid book marked through PW4
P6	-	D1 and D2 register marked through PW4
P7	-	Register showing the chitti statement marked through PW4
P8	-	Register showing remittence of chitty money marked through PW4
P9	-	Daily collection C2, C3, & C4 marked through PW4
P10	-	Seizure mahazar marked through Pw6
P11	-	Seizure mahazar marked through Pw7
P12	-	FIS marked through PW11
P13	-	FIR marked through PW11
P14	-	Passbook(Joseph) marked through PW13
P15	-	Address report of A1 marked through PW12
P16	-	Arrest memo marked through PW12
P17	-	Form -15 marked through PW14
P18	-	Seizure mahazar marked through PW14
P19	-	Seizure mahazar marked through PW14
P20	-	Seizure mahazar marked through PW14
P21(Series)	-	Bail Bond marked through PW14

P22(Series)	-	Form -15 (3 Nos.) marked through PW14
P23	-	Passbook(Thomas) marked through PW14
P24	-	Passbook (Sathi) marked through PW14
P25	-	Passbook (Sathi) marked through PW14
P26	-	Address report marked through PW15

Witnesses examined for the defence : Nil

Exhibits marked for the defence : Nil

MO's marked : Nil

Sd/-
Aminakutty. P.M.
Judicial First Class Magistrate-II,
Cherthala.

// True copy //

Judicial First Class Magistrate-II,
Cherthala.