



2026:CGHC:10337

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

CRA No. 211 of 2025

Shashibhushan Prasad S/o Shrinath Ram Aged About 51 Years Caste- Barai, Occupation- Agent (Welfare Building And Estate Pvt. Ltd.) R/o Village- Mahuagawa, P.S. Chainpur, District Palamu, Jharkhand, At Present Near Railway Crossing Muhalla Daltenganj, P.S. Medininagar, District Palamu, Jharkhand.

... Appellant

versus

State of Chhattisgarh Through Station House Officer, Chirmiri, District : Manendragarh-Chirmiri-Bharatpur, Chhattisgarh

... Respondent

For Appellant : Mr. Abhinav Dubey, Advocate.

For Respondent : Ms. Ritika Verma, Panel Lawyer.

Hon'ble Shri Ramesh Sinha, Chief Justice
Order On Board

27.02.2026

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1. The appellant has preferred this appeal for grant of Anticipatory Bail, apprehending his arrest in connection with Crime No. 71/2016, registered at Police Station - Chirmiri, District – Manendragarh-Chirmiri-Bharatpur (C.G.) for alleged commission of offence punishable under Sections 4, 5 of Prize, Chits and Money Circulation Scheme (Banning) Act, 1978 and Section 10 of the Chhattisgarh Protection of Depositors (Interest) Act, 2005 and Section 420/34 of India Penal Code, 1872.
2. The prosecution case, in brief, is that a branch of Welfare Building and Estate Pvt. Ltd., a chit fund company registered with the Registrar of

Companies, Kolkata (West Bengal), bearing Registration No. U70102WB1999PTC163559, was opened at Chirmiri, District Manendragarh–Chirmiri–Bharatpur (Chhattisgarh). According to the prosecution, the object of the said company was to induce investors to deposit money with an assurance that they would receive double the invested amount within a stipulated period. The complainant, Babulla Gond, resident of Paraspani, Bartunga, lodged a written complaint at Police Station Chirmiri alleging that he had deposited money in the Chirmiri branch of the company but the same was not returned. Accordingly, he filed a complaint against the company and its directors. The present applicant was working only as an agent of the said company.

3. On the basis of the complaint, Crime No. 71/2016 was registered under Sections 4 and 5 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978; Section 10 of the Chhattisgarh Protection of Depositors' Interest Act, 2005, and Sections 420/34 of the Indian Penal Code, 1872. However, during investigation, the concerned Station House Officer did not find any material evidence against any person and, accordingly, filed a closure report on 11.07.2017. Thereafter, after a lapse of approximately five years, the Superintendent of Police, Koriya, by letter dated 26.05.2022, sought permission from the learned Magistrate to reopen the inquiry and re-investigate the matter. In the above circumstances, the applicant apprehends his arrest in connection with the aforesaid offence.
4. Accordingly, the applicant preferred an application under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS), seeking anticipatory bail before the learned Special Judge under the Chhattisgarh Protection of Depositors' Interest Act at Korea, Baikunthpur (C.G.).

However, the learned Special Court rejected the applicant's first anticipatory bail application by order dated 13.12.2024.

5. Learned counsel for the appellant submit that the appellant is innocent and has been falsely implicated in the present case. He further submits that the appellant is a permanent resident of Village Mahugawa, Police Station Chainpur, District Palamu, Jharkhand. He has never visited the concerned village of Chirmiri, nor has he directly or indirectly compelled any investor to invest or deposit any money in the branch office of Welfare Building and Estate Pvt. Ltd., Chirmiri. During the course of investigation, neither the complainant nor any of the depositors made any allegation against the present appellant. Even in the statements recorded before the learned Magistrate under Section 164 CrPC, no allegation was made against him. Accordingly, after due inquiry and in the absence of any material evidence, the concerned SHO submitted a closure report before the learned Magistrate on 11.07.2017. Since then, no case has been made out against the appellant. Reliance is placed by the counsel for the appellant upon the order/memo dated 16.10.2019 issued by Deputy Secretary, State of Chhattisgarh (Home Department) to buttress his submissions.
6. Learned State counsel, opposing the prayer, has at the outset raised a preliminary objection as to the maintainability of the present appeal. It is submitted that the alleged offence includes Section 10 of the Chhattisgarh Protection of Depositors' Interest Act, 2005, and Section 15 of the said Act contains an express statutory bar with regard to grant of anticipatory bail. The Special Court constituted under the said Act exercises exclusive jurisdiction in respect of offences thereunder, and the legislative intent is clear that persons accused of offences affecting the financial interests of

depositors are not entitled to invoke the remedy of anticipatory bail. Learned State counsel submits that once the offence under the said Special Act is attracted, the bar under Section 15 operates with full force, irrespective of the fact that other offences under the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 or the Indian Penal Code, 1872 have also been invoked. It is further submitted that the magnitude and nature of the allegations disclose a systematic inducement of innocent investors on the promise of doubling their deposits within a stipulated period, which squarely falls within the mischief sought to be curbed by the Special Act of 2005. The mere filing of a closure report at an earlier stage would not create any indefeasible right in favour of the appellant, particularly when the competent authority has sought re-investigation in accordance with law. Learned State counsel contends that economic offences stand on a different footing, as they involve public money and affect a large number of unsuspecting depositors. Therefore, custodial interrogation may be necessary to unearth the larger conspiracy and financial trail, and at this stage, no indulgence is warranted.

7. I have heard learned counsel for the parties and perused the material available on record.
8. It transpires from the record that the appellant has preferred application under Section 483 of BNSS before the Court concerned and the same has been rejected vide order dated 13.12.2024 and against the said order, the present Criminal Appeal has been filed in view of Section 16(1) of the Act of 2005. However, the learned State counsel has made preliminary objection regarding the maintainability of the present appeal and states that in view of Section 15 of the Act of 2005, anticipatory bail cannot be granted

9. The only question for consideration would be whether in view of bar contained in Section 15 of the Act of 2005, the application for anticipatory bail is maintainable ?

10. Section 10 of the Act of 2005 states as under :

“10. Punishment for defaults by financial establishment - Where any financial establishment fraudulently defaults or any financial establishment acts in a calculated manner with an intention to defraud the depositors; every person including the promoter, partner, director, manager or any other person or an employee responsible for the management of or conducting of the business or affairs or of such financial establishment shall be punished with imprisonment for a term which shall not be less than 3 years but may extend to ten years and with fine which shall not be less than one lakh rupees but may extend to five lakhs rupees and such financial establishment shall also be liable to fine not less than three lakhs rupees but may extend to ten lakhs rupees.”

11. Section 15 of the Act of 2005 provides as under : -

“15. Anticipatory bail not to be granted - Notwithstanding anything contained in section 438 of the Code of Criminal Procedure, 1973 (No.2 of 1974) no application for anticipatory bail shall lie for an offence punishable under the Act.”

12. Considering the object and scheme of the Chhattisgarh Protection of Depositors' Interest Act, 2005, which has been enacted to safeguard innocent depositors from fraudulent financial establishments, and the allegations regarding inducement of investors by promising abnormal returns, this Court is unable to hold, at this stage, that no prima facie material exists so as to obviate the requirement of custodial interrogation,

particularly when the offence also involves Section 10 of the said Act along with Sections 4 and 5 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 and Section 420 of the Indian Penal Code, 1872.

13. Upon considering the matter in its entirety, this Court finds that the allegations pertain to collection of deposits from members of the public under alluring schemes promising abnormal returns. Such activities directly impact the financial security of small investors and fall within the regulatory framework of the Special Act of 2005 enacted by the State Legislature to safeguard depositors' interests. The bar engrafted under Section 15 of the said Act is specific and unequivocal, thereby restricting the exercise of jurisdiction in matters relating to anticipatory bail. When the statute itself expressly curtails such remedy, this Court, in exercise of appellate jurisdiction, cannot bypass or dilute the legislative mandate.
14. The contention of the appellant that he was merely an agent and that no direct allegation has been made against him relates to the merits of the accusation, which may be examined at the appropriate stage in accordance with law. However, at the threshold, the issue of maintainability goes to the root of the matter. In view of the express statutory prohibition contained in Section 15 of the Chhattisgarh Protection of Depositors' Interest Act, 2005, this Court is of the considered opinion that the present appeal seeking anticipatory bail is not maintainable.
15. In view of the foregoing discussion and particularly in light of the express statutory bar contained in Section 15 of the Chhattisgarh Protection of

Depositors' Interest Act, 2005, this Court is of the considered opinion that the present appeal seeking grant of anticipatory bail is not maintainable.

16. Accordingly, the present appeal stands **dismissed as not maintainable**.

**Sd/-
(Ramesh Sinha)
Chief Justice**

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