



S.K. SAHOO, J. Since both the bail applications arise out of one case, with the consent of the learned counsel for the parties, the same were heard analogously and are disposed of by this common order.

2. Both the applications are under section 439 of Cr.P.C. in connection with C.T. Case No.04 of 2022 arising out of Dhenkanal Town P.S. Case No.131 of 2022 pending in the Court of learned Presiding Officer, Designated Court under the O.P.I.D. Act, Cuttack for offences punishable under sections 420/406/467/468/471/120-B/506 of the Indian Penal Code read with sections 4/5/6 of the Prize, Chits and Money Circulation Schemes (Banning) Act, 1978 read with section 6 of the Odisha Protection of Interests of Depositors (In Financial Establishments) Act, 2011 (hereafter 'O.P.I.D. Act').

3. The petitioners, Pallavi Mishra @ Pallavi Hota (in BLAPL No.11483 of 2023) and Satyaranjan Hota (in BLAPL No.556 of 2024) moved applications for bail before the Court of learned Presiding Officer, Designated Court under the O.P.I.D. Act, Cuttack, which were rejected on 26.09.2023 and 08.01.2024 respectively.

4. The prosecution case, in short, is that both the petitioners Pallavi Mishra @ Pallavi Hota (in BLAPL No.11483 of 2023) and Satyaranjan Hota (in BLAPL No.556 of 2024) having ill



intention came in contact with the informant Kamalakanta Sahu and they induced the informant and his friends to deposit money in share market to get high interest. Being allured by such false assurance, the informant and his friends deposited money in the petitioners' company since 2018 and had been issued with bond papers. The depositors were returned with some amount of interest for some period for creating faith in their company. Subsequently, since January 2021, both the petitioners did not return any money or interest on the principal amount to the depositors. Thereafter, when the petitioners were compelled to return the money, petitioner Satyaranjan Hota issued cheques of his company and the cheques of the account number registered in his name by forging his signatures. When the cheques were deposited for payment, the signature of the petitioner Satyaranjan Hota did not match with the specimen signature submitted to the bank earlier. Thereafter, when the petitioners were asked to return the principal amount, the petitioner Satyaranjan Hota reported that he has lost the same.

It is further stated in the F.I.R. that both the petitioners have collected Rs.1,00,00,000/- (rupees one crore) from the informant, Rs.74,00,000/- (rupees seventy four lakhs) from one Subrata Das, Rs.3,00,000/- (rupees three lakhs) from one Jyotiranjana, Rs.2,00,000/- (rupees two lakhs) from the mother of one Surjit Sahu, Rs.56,00,000/- (rupees fifty six



lakhs) from one Rajiv Lochan Sahu, Rs.2,00,000/- (rupees two lakhs) from one Manas Ranjan Sahu, Rs.17,00,000/- (rupees seventeen lakhs) from one Madhusudan Sahu and Rs.5,00,000/- (rupees five lakhs) from one Pabitra Moharana. On 10.03.2022 when both the petitioners were found by the informant and his friends at Rathgada L.I.C. colony, Dhenkanal and they urged them to return the money and asked as to why he had issued cheques putting false signatures, both the petitioners threatened the informant with dire consequences if he would report the matter in the police station against them and their company.

Thereafter, the informant Kamalakanta Sahu and another presented a written report at Dhenkanal police station which was registered as Dhenkanal Town P.S. case No.131 dated 11.03.2022 and both the petitioners have been forwarded and subsequently the charge of investigation of this case has been taken over by E.O.W. P.S., Bhubaneswar and accordingly, E.O.W. P.S. Case No.10 dated 27.04.2022 was registered against both the petitioners.

During course of investigation, it was found that M/s. Purple Qualves Financial Services Pvt. Ltd. and its Directors Satyaranjan Hota, Pallavi Mishra @ Hota were running illegal money circulation scheme during 2020-2021, in the guise of providing high rate of return against the deposit amounts in Odisha and failed to provide the assured service/returns for



which money was invested by the gullible depositors. It was also found during investigation from the statement of accounts of the bank accounts of Satyaranjan Hota, A/c. No.30045405796 maintained with SBI, Bazar Branch, Dhenkanal, Pallavi Mishra A/c. No.20396493299, maintained with SBI, Bajrakabati Road, Cuttack, so far scrutinized that, Kamala Kanta Sahoo has transferred/deposited Rs.34,58,000/- in the account No.30045405796 of Satyaranjan Hota and Rs.3,00,000/- in the account No.20396493299 of Pallavi Mishra, Subrat Kumar Das has transferred/deposited Rs.29,10,000/- in the account No.30045405796 of Satyaranjan Hota and Rs.8,20,000/- in the account No.20396493299 of Pallavi Mishra. Besides that, the investors had directly made deposits in the company's account as well as in the accounts of Directors. The said amount as collected by Satyaranjan Hota and Pallavi Mishra might be increased after receipt and scrutiny of all the bank statements of the company held in the name of M/s. Purple Qualves Financial Services Private Limited, as well as in the name of its Directors Satyaranjan Hota, Pallavi Mishra and others.

5. Mr. Yasobanta Das, learned Senior Advocate appearing for the petitioners submitted that the petitioner Satyaranjan Hota (in BLAPL No.556 of 2024) is in judicial custody since 14.03.2022 whereas the petitioner Pallavi Mishra @ Pallavi Hota (in BLAPL No.11483 of 2023) is in judicial custody



since 05.05.2022 and earlier when the petitioners approached this Court for bail in BLAPL No.3884 of 2022 and BLAPL No.4422 of 2022 respectively, the bail application was rejected as per order dated 10.07.2023 taking into account the nature of accusation, the huge amount collected from the innocent persons on the bedrock of false assurances and since it is an economic offence, which is considered to be a grave offence and it is committed with cool calculation and deliberate design which has far reaching impact on the society and keeping in view the larger interest of public and State. Learned counsel further submitted that the petitioners have been charge sheeted under sections 420/406/467/468/471/506/120-B of the Indian Penal Code read with sections 4/5/6 of the Prize, Chits and Money Circulation Schemes (Banning) Act, 1978 read with section 6 of the O.P.I.D. Act.

Referring to some investment agreements between the investors and the company, it is argued that such investment would not come within the definition of 'deposit' as per section 2(b) of the O.P.I.D. Act. He further submitted that this Court cannot even insist for deposit of the amount taken from the depositors as a condition precedent for grant of bail. He further submitted that since the trial is progressing at a snail's pace and only five witnesses have been examined so far out of thirty three charge sheet witnesses and the petitioners are in judicial custody



for more than two years, the case is mainly based on documentary evidence which are already seized and there is no question of tampering with the evidence, the bail applications of the petitioners may be favourably reconsidered.

6. Mr. Bibekananda Bhuyan, learned Special Counsel appearing for the State of Odisha in O.P.I.D. Act matters, on the other hand, submitted that it is a case of commission of economic offences by both the petitioners and as per the charge sheet, the petitioners have taken crores of rupees from the investors and since there was no challenge either to taking of cognizance of offence or framing of charge under section 6 of the O.P.I.D. Act and the trial is under progress, while deciding the application for bail, this Court should not give any finding whether the ingredients of the offence under section 6 of the O.P.I.D. Act is made out or not which is likely to cause serious prejudice to the prosecution. He argued that material witnesses are still there to be examined in the trial Court and at this stage, if the petitioners are released on bail, there is every chance of tampering with the evidence. Learned counsel further submitted that this Court can direct for expeditious disposal of trial, in case it is felt that there is any delay in holding the same.

7. Learned counsel for the petitioners placed reliance in the case of **Ramesh Kumar -Vrs.- State of NCT of Delhi**



reported in (2023) 7 Supreme Court Cases 461 wherein it is held as follows:-

“25. Law regarding exercise of discretion while granting a prayer for bail under Section 438 Cr.P.C. having been authoritatively laid down by this Court, we cannot but disapprove the imposition of a condition of the nature under challenge. Assuming that there is substance in the allegation of the complainants that the appellant (either in connivance with the builder or even in the absence of any such connivance) has cheated the complainants, the investigation is yet to result in a charge-sheet being filed under Section 173(2) Cr.P.C., not to speak of the alleged offence being proved before the competent trial court in accordance with the settled procedures and the applicable laws. Sub-section (2) of Section 438 Cr.P.C. does empower the High Court or the Court of Session to impose such conditions while making a direction under sub-section (1) as it may think fit in the light of the facts of the particular case and such direction may include the conditions as in clauses (i) to (iv) thereof. However, a reading of the precedents laid down by this Court referred to above makes the position of law clear that the conditions to be imposed must not be onerous or unreasonable or excessive. In the context of grant of bail, all such conditions that would facilitate the appearance of the accused before the



investigating officer/court, unhindered completion of investigation/trial and safety of the community assume relevance. However, inclusion of a condition for payment of money by the applicant for bail tends to create an impression that bail could be secured by depositing money alleged to have been cheated. That is really not the purpose and intent of the provisions for grant of bail.

26. We may, however, not be understood to have laid down the law that in no case should willingness to make payment/deposit by the accused be considered before grant of an order for bail. In exceptional cases such as where an allegation of misappropriation of public money by the accused is levelled and the accused while seeking indulgence of the court to have his liberty secured/restored volunteers to account for the whole or any part of the public money allegedly misappropriated by him, it would be open to the court concerned to consider whether in the larger public interest the money misappropriated should be allowed to be deposited before the application for anticipatory bail/bail is taken up for final consideration. After all, no court should be averse to putting public money back in the system if the situation is conducive therefor. We are minded to think that this approach would be in the larger interest of the community. However, such an approach would



not be warranted in cases of private disputes where private parties complain of their money being involved in the offence of cheating.

27. Turning to the facts here, what we find is that the version in the F.I.R., even if taken on face value, discloses payment through cheques of Rs.17,00,000 (Rupees seventeen lakhs) in the name of the appellant and not Rs.22,00,000 (Rupees twenty-two lakhs). We have not been able to comprehend how the High Court arrived at the latter figure as payable by the appellant and why the appellant's counsel as well agreed with such figure. Prima facie, there appears to be some sort of a calculation error. Also, prima facie, there remains some doubt as regards the conduct of the appellant in receiving cheques from the complainants without there being any agreement inter se. Be that as it may, the High Court ought to have realised that having regard to the nature of dispute between the parties, which is predominantly civil in nature, the process of criminal law cannot be pressed into service for settling a civil dispute. Even if the appellant had undertaken to make payment, which we are inclined to believe was a last ditch effort to avert losing his liberty, such undertaking could not have weighed in the mind of the High Court to decide the question of grant of anticipatory bail. The tests for grant of anticipatory bail are well delineated and



stand recognised by passage of time. The High Court would have been well-advised to examine whether the appellant was to be denied anticipatory bail on his failure to satisfy any of such tests. It does seem that the submission made by the counsel on behalf of the appellant before the High Court had its own effect, although it was far from being a relevant consideration for the purpose of grant of bail.

28. It also does not appear from the materials on record that the complainants have instituted any civil suit for recovery of money allegedly paid by them to the appellant. If at all the offence alleged against the appellant is proved resulting in his conviction, he would be bound to suffer penal consequence(s) but despite such conviction he may not be under any obligation to repay the amount allegedly received from the complainants. This too is an aspect which the High Court exercising jurisdiction under Section 438 Cr.P.C. did not bear in mind.

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32. Before concluding, we need to dispose of I.A. No.94276 of 2023. It is an application for intervention at the instance of the complainants, who seek to assist the Court on the ground that any order passed on the appeal without giving opportunity of hearing to them would cause grave prejudice.



33. We hold that at this stage, the complainants have no right of audience before this Court or even the High Court having regard to the nature of offence alleged to have been committed by the appellant unless, of course, a situation for compounding of the offence under Section 420 I.P.C., with the permission of the court, arises.”

Learned counsel also placed reliance in the case of **Sanjay Chandra -Vrs.- Central Bureau of Investigation reported in (2012) 1 Supreme Court Cases 40**, wherein it is held as follows:-

“46. We are conscious of the fact that the accused are charged with economic offences of huge magnitude. We are also conscious of the fact that the offences alleged, if proved, may jeopardise the economy of the country. At the same time, we cannot lose sight of the fact that the investigating agency has already completed investigation and the charge sheet is already filed before the Special Judge, CBI, New Delhi. Therefore, their presence in the custody may not be necessary for further investigation. We are of the view that the appellants are entitled to the grant of bail pending trial on stringent conditions in order to allay the apprehension expressed by CBI.”

Learned counsel also placed reliance in the case of **U.N. Gupta @ Udhav Narayan Gupta & Others -Vrs.- The**



State of Bihar & Another [Special Leave Petition (Criminal) No.5916 of 2024], wherein it is held as follows:-

“5. The High Court, in our considered view, ought to have examined the question of grant of bail without being swayed by the submission on behalf of the appellants. Having regard to the settled principles of law laid down in the decisions referred to above, *inter alia*, to the effect that the Courts, exercising jurisdiction to grant bail/pre-arrest bail, are not expected to act as recovery agents for realization of dues of the complainant from the accused, the High Court ought to have independently apply its mind and arrive at a conclusion as to whether a case for grant of bail had been made out or not on settled parameters, irrespective of whatever submission had been advanced on behalf of the appellants.”

Learned counsel also placed reliance in the case of **Gajanan Property Dealer and Construction Pvt. Ltd. and Others -Vrs.- State of Orissa and Another reported in 2018 SCC OnLine Ori 387,** wherein it is held as follows:-

60. Section 6 of the OPID Act deals with punishment for default in repayment of deposits and interests honouring the commitment. In order to attract the ingredients of the offence, the following aspects are to be proved:



- (i) Default in returning the deposit by any Financial Establishment; or
- (ii) Default in payment of interest on the deposit or failure to return in any kind by any Financial Establishment; or
- (iii) Failure to render service by any Financial Establishment for which the deposits have been made.

61. In the event any of the aforesaid aspects is proved, every person responsible for the management of the affairs of the Financial Establishment shall be held guilty. 'Financial Establishment' has been defined under section 2(d) of the OPID Act and 'deposit' has been defined under section 2(b) of the OPID Act. The word 'default' in section 6 of the OPID Act has been used in conjunction with honouring the commitment and therefore, it depends upon the reciprocal promises. The material available on record indicate that after several round of discussions and execution of successive agreements, the job of arranging a sizable extent of land at Bhubaneswar was entrusted to the company by the HAL Housing Committee. It was a herculean task and in spite of that, it appears that the company did his best in arranging a major extent of land. Dispute arose when the hope of the company to proceed with the housing project on the acquired land as a part of composite agreement was shattered by the conduct of the committee



in making attempt to hand over the housing project to a 3rd party. Therefore, it is difficult to fathom that any commitment made by the company was flouted deliberately or that the company committed any default or failed to render any service for which the deposit was accepted.”

8. The bail application of the petitioners was rejected as per the order dated 10.07.2023 and trial has commenced and five witnesses have been examined. It appears that last witness i.e. P.W.5 was examined on 26.02.2024 and the learned counsel for the State has filed a memo wherein it is indicated that the case is posted to 05.08.2024 for examination of P.W.6.

9. Adverting to the contentions raised by the learned counsel for the respective parties, it is no more *res integra* that economic offences are always considered as grave offences as it affects the economy of the country as a whole and such offences having deep rooted conspiracy, involving huge loss of public fund are to be viewed seriously. Economic offences are committed with cool calculation and deliberate design solely with an eye on personal profit regardless of the consequence to the community. In such type of offences, while granting bail, the Court has to keep in mind, *inter alia*, the larger interest of public and State. The nature and seriousness of an economic offence and its impact on the society are always important considerations in



such a case and those aspects must squarely be dealt with by the Court while passing an order on bail applications.

Detailed examination of evidence and elaborate discussion on merits of the case should not be undertaken while adjudicating a bail application as it is bound to prejudice fair trial. The nature of accusation, the severity of punishment in case of conviction, the nature of supporting evidence, the criminal antecedents of the accused, if any, reasonable apprehension of tampering with the witnesses, apprehension of threat to the witnesses, reasonable possibility of securing the presence of the accused at the time of trial and above all the larger interests of the public and State are required to be taken note of by the Court while granting bail.

There is no dispute that the first bail applications of the petitioners in BLAPL No.4422 of 2022 and BLAPL No.3884 of 2022 were rejected by this Court vide common order dated 10.07.2023 and the petitioners have not approached the Hon'ble Supreme Court against such order. It is the settled position of law that successive bail applications are permissible under changed circumstances, but the change of circumstances must be substantial one which has a direct impact on the earlier decision and not merely cosmetic changes which are of little or no consequence. Without the change in the circumstances, the subsequent bail application would be deemed to be seeking



review of the earlier rejection order, which is not permissible under criminal law. While entertaining such subsequent bail applications, the Court has a duty to consider the reasons and grounds on which the earlier bail application was rejected and what are the fresh grounds which persuade it to warrant the evaluation and consideration of the bail application afresh and to take a view different from the one taken in the earlier application. There must be some changes in the factual scenario or in law which requires the earlier view being interfered with or the relief can also be extended where the earlier finding has become obsolete. This is the limited area in which the application for bail of an accused which has been rejected earlier can be reconsidered. If a bail application is rejected considering some grounds urged by the counsel for the accused and on the self-same materials and without any change in the circumstances, the successive bail application is moved and the Court is asked to reconsider the prayer of bail, it would be an endless exercise for the Court and entertaining such application would be a sheer wastage of valuable time of the Court. The above proposition of law is bred-in-the-bone of the criminal justice system which has time and again been affirmed and reaffirmed by the Hon'ble Apex Court and if at all there is a need to cite an authority for precedential backing, I may rely on the case of **State of M.P. -Vrs.- Kajad reported in (2001) 7 Supreme Court Cases**



673 in which it was categorically held that without the change in the circumstances, the second application would be deemed to be seeking review of the earlier judgment which is not permissible under criminal law.

10. It is seen that almost identical contentions were raised in BLAPL No.4422 of 2022 and BLAPL No.3884 of 2022 except that the informant and the witnesses do not come under the category of investors/depositors but they come under the category of allottees/purchasers as per RERA Act. This Court in the case of **Prasan Kumar Patra -Vrs.- State of Odisha reported in (2019) 74 Orissa Criminal Reports 221** held as follows:

“.....Prior to the amendment made in the year 2016, the term ‘deposit’ as per section 2(b) of the O.P.I.D. Act meant the deposit of money either in one lump sum or by installments made with the Financial Establishment for a fixed period for interest or for return in any kind or for any service. After the amendment which came into force on 11.11.2016 as per Odisha Act 15 of 2016, the term ‘deposit’ as per section 2(b) of the O.P.I.D. Act included any receipt of money or acceptance of any valuable commodity, to be returned after a specified period or otherwise, either in cash or in kind or in the form of a specified service, by any Financial Establishment, with or without any benefit in the



form of interest, bonus, profit or in any other form. The term 'deposit' excluded certain amounts from its purview which have been enumerated under clauses (i) to (vii) of section 2(b) of the O.P.I.D. Act.

The term 'Financial Establishment' as appears in section 2(d) of the O.P.I.D. Act means an individual or an association of individual, a firm or a company registered under the Companies Act, 1956 carrying on the business of receiving deposits under any scheme or arrangement or in any other manner. This term excludes a corporation or a co-operative society owned or controlled by any State Government or the Central Government or a Banking Company as defined under clause (c) of section 5 of the Banking Regulation Act, 1949.

Since the company in this case was registered under the Companies Act by ROC, Odisha, Cuttack on 07.05.2009 and it was carrying on the business of receiving money from the public under Pragyan Vihar Project for providing developed plots to the investors and the terms and conditions of such business have been indicated in the brochure issued by the company, in my humble view, the company comes under 'Financial Establishment' as per section 2(d) of the O.P.I.D. Act. The money which was deposited with the company either in one lump sum or by installments was for getting developed plots as per the assurance given in



the brochure. Therefore, such money paid to the company would come within the term 'deposit' as per section 2(b) of the O.P.I.D. Act.

Section 6 of the O.P.I.D. Act, inter alia, states that if any Financial Establishment fails to render service for which the deposit has been made then every person responsible for the management of the affairs of the Financial Establishment shall be punished with imprisonment and fine as provided under the said section and such Financial Establishment is also liable to pay fine. The fine amount of rupees 'one lakh' and 'two lakh' were enhanced to 'ten lakh' and 'one crore' respectively by virtue of the amendment which was made in the year 2016. Even though the deposits were received prior to the enactment of the O.P.I.D. Act, as the company failed to render service in providing developed plots to the depositors under Pragyan Vihar Project, after the O.P.I.D. Act came into force, non-rendering of service makes it a 'continuing offence'. According to the Blacks' Law Dictionary, Fifth Edition (Special Deluxe), 'continuing' means "enduring; not terminated by a single act or fact; subsisting for a definite period or intended to cover or apply to successive similar obligations or occurrences". A continuing offence is the type of crime which is committed over a span of time. It is susceptible of continuance and is distinguishable from the one which is committed once and for all. It is



one of those offences which arise out of a failure to comply certain requirements and it continues until the requirements are obeyed or complied with. On every occasion the disobedience or non-compliance occurs and reoccurs, the offence is committed. It constitutes a fresh offence every time. In case of **Udai Shankar Awasthi - Vrs.- State of U.P. reported in (2013) 2 Supreme Court Cases 435**, Hon'ble Supreme Court held that in the case of a continuing offence, the ingredients of the offence continue, i.e. endure even after the period of consummation whereas in an instantaneous offence, the offence takes place once and for all i.e. when the same actually takes place. In such cases, there is no continuing offence, even though the damage resulting from the injury may itself continue.

So long as the Financial Establishment fails to render service for which the deposit has been accepted, it would be a continuing offence irrespective of the fact whether deposit was accepted prior to enactment of O.P.I.D. Act, if failure to render service continues after the Act came into force. In my humble view, the prima facie ingredients of offence under section 6 of the O.P.I.D. Act are attracted in the case. Therefore, the contention of the learned counsel for the petitioner that the registration of the F.I.R. and submission of charge sheet under



section 6 of the O.P.I.D. Act was not proper and justified cannot be accepted.”

11. It is rightly contended by the learned counsel for the State that when the petitioners have not challenged the submission of charge sheet under section 6 of the O.P.I.D. Act so also the order of taking cognizance for such offence and also the order of framing of the charge and the trial is under progress, any finding given while considering the application for bail as to whether the ingredients of the offence under section 6 of the O.P.I.D. Act be made out or not, would not be proper.

However, it appears to me that there is a slow progress of the trial inasmuch as after framing of the charge, P.W.1 was examined on 12.04.2023 and the last witness i.e. P.W.5 was examined on 26.02.2024. Even though five months have elapsed in the meantime, there is no further progress in the trial. Mr. Das, learned Senior Advocate has rightly pointed out that the petitioners are in custody for more than two years and they are no way responsible for delayed trial.

Right of speedy trial is a fundamental right under Article 21 of the Constitution of India and denial of this right corrodes the public confidence in the justice delivery system. Prolonged delay in disposal of the trial, for no fault of the accused, confers a right upon him to apply for bail. Right to bail



is not to be denied merely because of the sentiments of the community against the accused. Even economic offence falls under the category of 'grave offence', it is not a rule that bail should be denied in every case. The Court must be sensitive to the nature of allegation made against the accused and the term of sentence that is prescribed for the offence alleged to have been committed.

In view of the state of affairs, since there is no change in the circumstances after rejection of the earlier bail application on 10.07.2023 except that the petitioners have been detained in custody further for more than a year, in view of the nature and gravity of the accusation, the allegation of commission of economic offences by the petitioners by taking huge amounts from innocent persons and reasonable apprehension of tampering with the evidence when number of important witnesses are yet to be examined, while not inclining to release the petitioners on bail on merit, I direct the learned trial Court to expedite the trial and make every endeavor to conclude the same within a period of six months from the date of receipt of a copy of this order. It is further directed that the examination of witnesses shall be taken up keeping in view the provision under section 309 of Cr.P.C. which deals with expeditious holding of the proceeding and continuous



examination of witnesses from day to day and recording reasons for adjourning the case beyond the following day.

However, the petitioners are at liberty to renew their prayer for bail, if the trial is not concluded within the aforesaid period.

Accordingly, both the bail applications being devoid of merits, stand dismissed.

A copy of the order be communicated to the learned trial Court for compliance.

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S.K. Sahoo, J.

Orissa High Court, Cuttack
The 5th August 2024/RKMishra