IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH.

CRM-M-27780-2016

Date of Decision: 07.10.2016

Rajwant Kaur alias Rajwant Virk

...Petitioner

VERSUS

Niranjan Singh

....Respondent

CORAM : HON'BLE MR. JUSTICE SURYA KANT
HON'BLE MR. JUSTICE SUDIP AHLUWALIA

Present:- Mrs. G.K.Mann, Advocate for the petitioner.

Ms. Ranjana Shahi, Advocate for the respondent.

SUDIP AHLUWALIA, J.

This is a petition u/s 439 Cr.PC for regular bail filed by the petitioner in complaint case No.2 of 2015 dated 21.07.2015 titled as "Niranjan Singh, Asstt. Director of Enforcement Vs. Ranjit Singh Kandola alias Raja Kandola & others", under section 45(1) read with Sections 3 & 4 of the Prevention of Money Laundering (PML) Act, 2002.

2. The petitioner claims to have been falsely implicated in FIR No.60 dated 1.6.2012, under section 21 of the Narcotic Drugs & Psychotropic Substances (NDPS) Act, 1985 registered at Police Station, Kartarpur. She was allegedly implicated, being the wife of one Ranjit Singh Kandola alias Raja Kandola, who was unavailable at the given time, on account of which, the Punjab Police allegedly picked up the petitioner and her son, and implicated them in the false FIR. She was ultimately

granted bail in that case by an order passed by this Court on 10.3.2014. Prior to that, she received summons from the respondent to appear before him on 25.10.2013 and her statement was recorded. The petitioner claims to have been working as a Visa Officer in the Greek Embassy at the relevant time, She further claims to have been falsely implicated in the present case under the PML Act. She approached this Court twice for the grant of anticipatory bail, but failed. She then approached the Supreme Court, which directed her to surrender and move an application for regular bail in the Trial Court. She accordingly surrendered in the Ld. Court below, but her application for bail was rejected. She has, therefore, approached this Court seeking her release on bail.

3. Her prayer has been opposed on behalf of the respondent/complainant, who has filed his reply, in which, it has been stated inter-alia -

> *"Investigation conducted has revealed that Rajwant Kaur Virk W/o Ranjit Singh Kandola is not filing any Income Tax Return. She is not having any lawful source of income. The Income Tax Department vide their letter dated 24.06.2015 has informed that Rajwant Kaur Virk W/o Ranjit Singh Kandola did not file any Income Tax Return. She has purchased all the immovable properties with the proceeds of crime derived from trafficking and dealing in drugs. The petitioner has laundered the proceeds of crime in the immovable properties purchased by her."*

4. To support the above contentions, the respondent/complainant has drawn attention of this Court to the various immovable assets standing in the name of petitioner in the form of a House in DLF Phase I, Gurgaon (Haryana) and a Hotel in village Tapal Majra, District Ropar (Punjab), which was allegedly purchased by her for the amounts of ₹ 3,25,00,000/- and ₹ 50,00,000/- respectively. The respondent/complainant has also drawn

our attention to various credits in the petitioner's Bank Accounts for the period between 1.7.2007 to 13.5.2014, the total of which comes to ₹ 5,48,59,533/-. It is in view of these facts that the respondent claims that the assets acquired/generated by the petitioner are 'Proceeds of Crime', since at no point of time, had she filed any Income Tax Return, which could have helped to explain where from all such incomes were drawn by her.

5. We may also mention that in the original petition of complaint filed by the respondent/complainant in the Ld. Court below, a comprehensive list of the petitioner's assets as well as bank transactions, had been given. The relevant material in this regard concerning her income/assets/transactions from such 'Proceeds of Crime' as mentioned in the petition of complaint has been considered by us carefully. When the bail petition was first moved before us on 14.9.2016, we directed that she would have to specifically explain the details of Item Nos.4 and 5, which pertained to huge monetary transactions imputed to her, as available on Page 42 of the Paper Book, along with documentary proof in support of such details and credit interest of the bank accounts. The petitioner thereafter on 27.9.2016 filed her explanation through her Ld. counsel along with the copies of various documents, including the property Transfer Deeds, bank statements, sale deeds and receipts etc.

6. These documents include a copy of the Registered Sale Deed executed by the petitioner on 10.6.2009 (Annexure P8), vide which, she sold her Flat in Vasant Vihar, New Delhi to one Mrs. Rekha Shrivastava for a consideration price of ₹ 2,68,00,000/-. The other Sale Deed (Annexure P9) is the one executed in favour of the petitioner, two months earlier by one Mrs. Usha Kalsi on 8.4.2009, vide which, the petitioner purchased her

residential plot in DLF City Phase -I, Tehsil & District Gurgaon (Haryana) at a price of ₹ 1.5 crores. The other documents are copies of her Bank Statements (Annexures P10 & P11), apart from four Receipts (Annexure P12 collectively), issued by the petitioner herself in favour of one Puneet Khurana on behalf of some one called Savita Khurana, who had allegedly taken loan from the petitioner earlier, and for repayment of which, cash amounts totaling ₹ 46.40 lacs were purportedly returned to the petitioner as depicted in these Receipts. She has also placed copy of Agreement dated 16.5.2012 (Anneuxre P14) to sell her aforesaid residential plot in favour of two persons, namely Amanpreet Singh Gandhi and Mandeep Singh Gandhi at a price of ₹ 3, 75,00,000/- only. The aforesaid agreement to sell shows that the petitioner had received an amount of ₹ 92.50 lacs as advance consideration for the transaction. Thereafter, a copy of the Revocation-cum-Cancellation Deed dated 9.5.2014 (Annexure P13) has been filed, which goes to indicate that some other agreement between the petitioner and Mr. Mandeep Singh Gandhi regarding sale of petitioner's landed property situated at Samrala, District Ludhiana for a consideration of ₹ 3 crores had been entered into on 29.5.2012, and that the petitioner had consequently received an advance payment of ₹ 87,25,000/- from the intending purchaser. However, the parties subsequently decided to revoke the agreement on 9.5.2014 and the petitioner, therefore, returned the amount received from Mandeep Singh Gandhi.

7. Undoubtedly, the monetary transactions of the petitioner over the given period of time involved huge money. It is, therefore, surprising that she never felt any need to file her Income Tax Returns in spite of having been engaged in such big transactions. Incidentally, in Item No.5 on

Page 42 of the Paper Book, as referred to earlier by us, it has been noted that the petitioner could not explain the Credit Entries exceeding ₹ 2 crores in her Bank Account and stated that only her husband could explain the same. By her own averment, the petitioner is not a rustic or illiterate lady, since she claims to have been working as a Visa Officer in the Greek Embassy. As such, her failure to explain her monetary transactions or even to file the necessary Income Tax Return, cannot be appreciated in the given circumstances. It has to be remembered that initially, the petitioner was implicated in the previous NDPS case on the specific allegation that One Kilogram of Heroin was allegedly recovered from her and her son jointly on 15.6.2012. The relevant NDPS case is still pending and her husband Ranjit Singh Kandola is also the principal accused in that case. In the given circumstances, even assuming that the petitioner allowed all her Bank Transactions to take place at the instance of her husband, who himself is facing charges for the same offences under the NDPS as well as PML Acts, that would indicate her involvement in investment, concealment or projection of the 'Proceeds of Crime', allegedly generated by her husband, which itself amounts to the offence of 'Money Laundering' as defined under section 3 of the PML Act, 2002.

8. For the above reasons, and considering that the trial in the complaint case is as yet in its early stages, we are not inclined to order for the release of petitioner at this stage. Her bail prayer is, therefore, rejected.

(Surya Kant)
Judge

(Sudip Ahluwalia)
Judge

October 07, 2016
AS

Whether speaking/reasoned : Yes/No

Whether Reportable : Yes/No