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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

ANTICIPATORY BAIL APPLICATION NO.2078 OF 2017

Vijay Rajendraprasad Gupta … **Applicant**
V/s.
The State of Maharashtra . … **Respondent**

Mr. A.P. Mundargi, Senior Counsel i/b S.J. Patil for applicant.
Ms. Ameeta Kuttikrishnan, Special P.P for C.B.I./Respondent No.1.
Ms. J.S. Lohokare, APP for State.

CORAM : A.S.GADKARI, J.
DATE : 19th JANUARY 2018.

P.C.:

1] The applicant is apprehending arrest in CR No.0682016E0014 of 2016 dated 30.09.2016 registered with C.B.I., EOW, Mumbai under Sections 120-B r/w 420, 467, 468 and 471 of the Indian Penal Code and under Section 13(2) and 13(1)(d) of Prevention of Corruption Act, 1988.

2] Heard the learned Senior Counsel for the applicant and the learned Special P.P for C.B.I. and the Perused the record of investigation.

3] The first information report is lodged by Shri Ashraf Ali Baig, Deputy General Manager (B & O-IV), State Bank of India, Zonal Office-IV, Thane, on 30th September 2016. It is stated that, the applicant apart from the Chairman of the group of Companies is also Managing Director of other three Corporate Entities namely M/s Vindhyavasini Group Company, Rajput Retail Ltd (RLL), nd M/s Universal Premises & Textiles Pvt. Ltd. (UPTPL).

It is the prosecution case that, the applicant and other Directors of the said Companies, submitted valuation reports of properties with inflated costs for procuring high value loan from the State Bank of India. That the applicant along with other accused persons, induced the State Bank of India to sanction three Term Loans totalling to Rs.280.00 Crores (Two Hundred and Eighty Crores). It is also stated that, the applicant in connivance with other accused persons submitted fake and/or forged leave and licence agreement purportedly entered with Axix Bank. The first informant has given a detailed narration of facts about the modus adopted by the applicant and other accused persons while making valuation of the properties in question and submitting it to the State Bank of India while procuring the said huge Term Loans of Rs.280.00 Crores. In the internal enquiry conducted by the Bank, it was revealed that the documents submitted by the applicant are forged/bogus documents and therefore the first informant has lodged the present crime with the C.B.I., Economic Offencese Wing, Mumbai.

4] Mr. Mundargi, the learned Senior Counsel for the applicant submitted that, it is only due to failure in business, Companies of the applicant suffered losses and therefore could not repay the loan. He submitted that the change in name of one Company namely Rajput Retail Ltd (RRL) to Shreem Corporation Ltd (SCL) was effected after following due process of law and is not in breach of any provision of law. That it is only after the accounts of the companies were declared Non-Performaing Assets (NPA), the first informant Bank has lodged the present crime. He submitted that the C.B.I has already seized relevant documents and therefore the custodial interrogation of the applicant is not necessary and he may be granted pre-arrest bail.

Per contra, the learned Special P.P. vehemently opposed the application and submitted that the applicant in connivance with other accused persons including bank officers of the State Bank of India by submitting forged or bogus documents procured huge Term Loans amounting to Rs.280.00 Crores which is without including interest accrued thereon till 31.3.2016. That the Investigating Officer Shri N.S. Raju has filed an affidavit dated 7.12.2017 to that effect. She therefore submitted that the application for prearrest bail may be rejected.

5] The first information report and the record of investigation clearly indicate that the applicant along with other accused persons including Officers of the State Bank of India by submitting fake and/or forged documents so also inflated valuation report of project, were successful in procuring the aforestated three Term Loans of higher value. That the Bank Officers in connivance with applicant and other accused persons, sanctioned the said three Term Loans thereby causing wrongful loss to the Government Exchequer to the tune of Rs.280.00 Crores for their personal wrongful gain. It is only after conducting an enquiry based on record about it, the first informant has lodged the present crime.

6] The Supreme Court in the case of Ram Narain Poply Vs. Central Bureau of Investigation reported in AIR 2003 SC 2748 has held that, an economic offence with large magnitude causes damage to the national economy. That the entire community is being aggrieved by the same. It is observed that funds of public body are utilised as if they are private funds. That the acts of accused had serious repercussions on economic system of country. It is held that such 'while collar crime' should be viewed sternly.

7] The allegation against the applicant that, he caused wrongful loss to the Government Exchequer to the tune of Rs.280.00 Crores in connivance with other accused persons, is indubitably serious allegation and requires thorough investigation and for that the custodial interrogation of the applicant is necessary.

After taking into consideration the serious allegation against the applicant, gravity and complex nature of the offence, this Court is of the view that the applicant does not deserve to be protected by pre-arrest bail.

8] Application is accordingly rejected.

(A.S.GADKARI, J.)