IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH : NAGPUR

CRIMINAL APPLICATION (ABA) NO.691/2018

Chandrakant S/o Late Laxman Narayan Angarey

..Vs..

The State of Maharashtra, through Police Station Officer, Sitabuldi Police Station, Nagpur and another

Office Notes, Office Memoranda of Coram, appearances, Court's orders of directions and Registrar's orders	Court's or Judge's orders

Shri S.P. Sonwane, Advocate for the applicant.
Shri V.P. Gangane, A.P.P. for the respondent.

CORAM : Z.A. HAQ, J.
DATE : 3.10.2018.

Apprehending arrest in connection with Crime No.507/2018 registered by the non-applicant against the applicant and six others for the offence punishable under Sections 420, 406, 465, 468, 471, 120B read with Section 34 of the Indian Penal Code, the applicant seeks pre-arrest bail.

The applicant is presently working as Chief Manager, Dena Bank Zonal Office, Bhopal. According to the investigating agency F.I.R. is registered against the accused on complaint lodged by Manager, Dena Bank, Dharampeth Branch on 17th April, 2017 that the accused had cheated the bank and had got sanctioned cash credit of Rs.2 Crores and the amount is usurped during the period from March, 2016 to June, 2016 when the applicant was working as Chief Manager, Dena Bank, Dharampeth Branch, Nagpur.

The applicant contends that he had taken all the necessary precautions and had got executed all the necessary documents including collateral security as per the rules of the bank before sanctioning the credit facility in favour of the co-accused (proprietor of M/s. Maa Anusuya Trading Company and partners of M/s. Arena Industries and proprietor of M/s. Adinath Industries and Trading Corporation.

The application is opposed by the investigating agency on the ground that the investigation is still in progress and looking to the nature of accusations against the applicant, his custodial interrogation is necessary. From the case diary learned A.P.P. has pointed out staff accountability report prepared by the H.R.M. department of Dena Bank in which several objections are pointed out in the case of sanction of credit facility in favour of M/s. Anusaya Trading Company, some of it being reproduced as follows:

> *"10 ....*
> *1. Branch has not obtained the NOC from NIT, Nagpur and Tripartite Agreement between borrower / guarantor, NIT & Bank is also not executed.*
> *2. The collateral security (open land) provided by the borrower is under litigation.*
> *3. Proper demarcation of collateral property is not done by branch.*
> *4. The unit is not exist and stock/Book debts is not available.*
> *5. There is NO prime security available to the Bank."*
>
> *"10(1) ....*

c. The customer information related to PAN/TAN/ROC Charge/CIBIL/ SAL is obtained by branch officials but not counter checked with site."
d. The branch has not obtained CIR from the existing banker."

"e. The branch has not obtained account statement of the borrower for past 1 year from the existing bankers."

h2. The branch has assumed the turnover for FY 2015 - 16 as Rs.650.00 lacs which dos not seems to be realistic. If the branch has accepted the turnover at realistic level the MPBF of Rs.2.00 crores could not have been assessed. ...."
h3. Audited B/Sheet not obtained by branch.
h4. Branch failed to ensure verification of primary security and business activity."
h6. It is mentioned in the proposal that the proprietor is well experienced & good reputation in market but no supporting documents are attached int eh proposal."
h10. Branch has calculated collateral coverage at market value instead of realizable value.
h11. Credit Rating not done and vetted.
h13. Stock statement obtained before sanction of CC limit on firms letter head, it is not obtained on Banks format and verification of stock not done by branch.

"2a1c. …... Hence the branch has accepted an abnormal growth in sales of firm for FY 2015-16."
"3e. The vetting of the documents done on 04.03.2016 by Mrs. Shakuntala Jain, Advocate and certify that the

documents are as per terms of sanction and valid & enforceable in the court of law.”

“3m. The sanction has been reported in the control returns BR-ZO-M2by branch. The proposal was noted by ZO on 19.5.2016 and observed following irregularities.

1. Branch to calculate the collateral coverage at realizable value instead of market value.”

4a. ……

1. Effective Pre/Post sanction visit not done by Accountant/BM.

2. The funds were diverted and branch failed to ensure end use.'

“6a. ………

6. ………. This clearly indicates the bad intention of party. Ultimately the a/c was reported as Fraud.

10. The unit is not exist and stock/Book debts is not available.”

Considering the facts of the case and accepting the submission made on behalf of the investigating agency that custodial interrogation of the applicant is necessary for investigation, I am not inclined to grant the prayer made in the application. The application is **dismissed** accordingly.

JUDGE

Tambaskar.