In the High Court of Punjab and Haryana at Chandigarh

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Criminal Misc. No.M-20518 of 2018

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Date of decision:2.8.2018

Daman Bhalla alias Lucky

.....Petitioner

v.

State of Punjab

.....Respondent

....

Present: Mr. R.S. Cheema, Senior Advocate with Mr. Kartik Tayal, Advocate for the petitioner.

Mr. Gaurav Garg Dhuriwala, Senior Deputy Advocate General, Punjab for the respondent-State.

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Inderjit Singh, J.

This petition has been filed under Section 439 Cr.P.C. for grant of regular bail in case FIR No.450 dated 9.9.2017 registered for the offences under Sections 420, 467, 468, 471, 409 and 120-B IPC and Sections 7, 13 (1), 13(1)(a), 13(1)(b), 13(1)(c) and 13(1)(d) of the Prevention of Corruption Act, 1988 at Police Station Civil Lines, Amritsar.

Notice of motion has been issued in this case.

Mr. Gaurav Garg Dhuriwala, learned Senior Deputy Advocate General, Punjab has appeared on behalf of the respondent-State and contested this petition.

I have heard learned senior counsel for the petitioner as well as learned State counsel and have gone through the record.

The FIR in the present case has been registered on the basis of letter written by Additional Chief Secretary, Department of Local Bodies, Government of Punjab along with preliminary inquiry. The complaint was made regarding fraud and causing loss to Amritsar Improvement Trust, Amritsar (hereinafter referred to as `AIT') by embezzlement of funds. As per the prosecution version, some unaccounted bank accounts were opened by the officials/officers of Amritsar Improvement Trust. During the inquiry, Mr. D.C. Garg, EO, Mr. Devinder Kumar, Mr. Vishal Sharma, Ms. Teena Vohra (all Accountants), Mr. Harjit Singh, DCLA Local Audit, Mr. A.S. Bhatti of Local Audit were associated with the inquiry. During the inquiry, Mr. Sanjay Kapoor, Chartered Accountant for Amritsar Improvement Trust since 2002 was called. As per the prosecution version the fraudsters opened a large number of official bank accounts. Some of these so opened accounts are not reflected in cash books of AIT which means these are illegal accounts. Money had been received into illegal accounts through DDs for AIT. Money through cheques/pay orders had been paid to individuals AIT staff members, their families and some organisations. Part of this money was transferred back to AIT accounts by issuing DD. Large amounts were withdrawn in cash, in one instance ₹85 lakhs were withdrawn from illegal Account of AIT in HDFC Bank. This account was opened on 6.12.2013 and closed on 16.5.2017. Amount deposited/credited during the period is ₹58,15,72,582.32 and 66 number yourself cheques with total amount of ₹15.16 crores issued from this account for issuing pay orders, 2 pay orders were issued to Mr. Satnam Singh, Clerk, AIT, 1 pay order was issued to Narinder Nath father of Daman Bhalla, DCFA and to some other private persons. 53 self-cheques from this account were issued and an amount of

₹19.25 crores was illegally withdrawn.

As per the prosecution version, Dayal Chand Garg, Arvind Sharma and Paramjit Singh remained Executive Officers of AIT. Sanjay Kapoor remained CA of AIT since 2002. Satnam Singh was posted as Clerk and Teena Vohra alias Teena Sharma was Accountant. As per the allegations of the prosecution, as these illegal accounts were opened, which were not shown in the cash books, these were used for misusing, misappropriating, embezzling the interest amount of the AIT funds.

As per the prosecution version, during the investigation, it was found that a large number of cheques which were signed by the Executive Officer and having the original signatures of the EO were tampered with by erasing the amount of the cheques as well as the other particulars with a special magical pen and then filling as self-cheque or in the name of close family members of Daman Bhalla and in this way crores of rupees have been withdrawn by the present petitioner. Learned State counsel also submitted that reports of FSL have also been received about the illegal accounts of the AIT.

A perusal of the record shows that challan has already been presented against Daman Bhalla. The present petitioner is in custody for the last about nine months. The learned State counsel has brought it to the notice of this Court that six witnesses relating to the employees of AIT are still to be examined and if bail is granted to Daman Bhalla, he can influence those witnesses as he remained posted with them.

Keeping in view the serious nature and gravity of the offences and the fact that there is every possibility of tampering with the evidence by the present petitioner and the case being at preliminary stage and the investigation is still going on against other co-accused, I do not find it a fit case where the petitioner is entitled for regular bail.

Therefore, finding no merit in this petition, the same is dismissed.

However, nothing stated above will constitute my opinion on the merits of the case.

August 2, 2018. **(Inderjit Singh)**
Judge

hsp

NOTE: Whether speaking/reasoned: Yes
Whether reportable: No