**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH**

CRM-M-6806-2018 (O&M)

Date of Decision: May 24, 2018

Ashok Kumar Chadha

..... Petitioner

Versus

The State of Haryana

..... Respondent

CORAM: HON'BLE MR. JUSTICE SUDIP AHLUWALIA

Present: Mr. Ashish Aggarwal, Senior Advocate assisted by Mr. Kartik Gupta, Advocate for the Petitioner.

Mr. Manish Bansal, D.A.G. Haryana.

Mr. K.S.Nalwa, Advocate for the complainant.

SUDIP AHLUWALIA, J.

This is an Application for Regular Bail under Section 439 Cr.PC on behalf of Petitioner/accused Ashok Kumar Chadha in FIR No.807 dated 10.12.2017, registered at Police Station City, District Sonepat under Sections 406, 420, 467, 468, 471, 506 and 120-B of the IPC.

2. The Petitioner contends that he has been falsely implicated in the case. The substance of the allegations in the FIR may be briefly summarized as that the Petitioner along with other officials of Company 'M/s Ringing Bells Private Limited' had advertised that they would provide 4G enabled Mobiles worth Rs.251/-, and also invited applications from people for

Distributorship, and Carrying & Forwarding (C & F). The representatives of the Company contacted the complainant, who happens to represent 'M/s Aghnya Tradexim Private Limited' and who allegedly paid Rs.3,50,00,000/- as advance on inducement of the Petitioner who represented himself to be the President of 'M/s Ringing Bells Private Limited' by flaunting his high connections with influential people including the then Defence Minister of India. However, the complainant subsequently learnt from Mr. Sumit Sahi, Director of 'M/s Ringing Bells Private Limited' Company that the said Company was going to stop its business. The complainant therefore, demanded the Statement of Accounts and an amount of Rs. 7 Crores was found to be due towards the complainant Firm. But instead of returning this amount defective goods worth Rs.72 Lakhs were supplied to the complainant with a promise to refund the remaining amount of Rs.6,28,00,000/- which according to the complainant was the Petitioner's responsibility in his capacity as President of 'M/s Ringing Bells Private Limited' Company, who had accepted the money from the complainant. However, the complainant was allegedly threatened later on, with liquidation of his family in the event of any demand for the outstanding amount, on account of which, he was constrained to lodge the FIR.

3. It has been contended on behalf of the Petitioner that he never had any position or control in the affairs of the accused Company, and that his association with the said Company was restricted only for the purpose of advertising and promoting the accused Company in pursuance of the Agreements entered into between his Company 'Today Advertising Private

Limited' and the accused Company 'M/s Ringing Bells Private Limited'. Further according to Petitioner, in terms of the relevant Agreements dated 23.12.2015 and 12.7.2016 (Annexures P-11 & P-14) respectively, he in his capacity as Director of 'M/s Today Advertising Private Limited' among other jobs had been mandated to carry research and analysis for the purpose of promoting 'M/s Ringing Bells Private Limited' Company apart from 'Celebrity Management'. He therefore, contends that even though he never held any position or authority or influence in 'M/s Ringing Bells Private Limited' Company, but for the purpose of promoting the said Company, he had described himself as its 'President', in order to give it the advantage of his Profile and standing in the field of Advertisement and Promotional Services, in which he had been engaged for almost 40 years and therefore, wielded strong social and professional associations.

4. It has been vehemently denied on behalf of the State supported by the complainant that Petitioner never held any position or authority or influence in 'M/s Ringing Bells Private Limited' Company, which fact, according to the Respondent would be clear from the Petitioner's own letter (Annexure P-20) from which it transpires that he held as many as Two Lakh Shares in the said Company, which otherwise works out to more than 50% of the holdings whereby, he was in actual effective control of the Company affairs, and the same is further clear from the expression in the said letter dated 8.6.2016 (Annexure P-20), according to which the Petitioner gave 'his consent pursuant to Section 101 of the Companies Act, 2013 to hold the Extra Ordinary General Meeting on 18.6.2016 at a shorter notice', which

communication was addressed to none other than 'M/s Ringing Bells Private Limited' Company itself. The contention of Petitioner in this regard is that the aforesaid Two Lakh Shares were only transferred in his name by the accused Company when it allegedly came under his pressure for payment of his outstanding dues of advertising and promotional charges in pursuance of the earlier Agreements, and that those Shares were subsequently unilaterally redeemed by the accused Company itself. But there is no document from the Petitioner's side in support of this contention. It was thereafter submitted by the Ld. Counsel for the Petitioner that such documents pertaining to redemption of the aforesaid Shares were available with the Police Authorities, after which this Court perused the entire Police Case Diary, but no such documents were found to exist therein. On the contrary, the statement of one of the other Directors of the accused Company totally negating the Petitioner's contention was available in the Police Diary, but details of the same need not to be discussed here, since in any case it was incumbent upon the Petitioner himself to place the material in support of his contention.

5. It further transpires that not less than 10 separate complaints against the Petitioner as well as the accused Company have been lodged by the various applicants/investors who had been duped in a similar fashion under false inducement of making them Franchise holders, and several other criminal complaints by many more affected persons across the country regarding this matter of cheating have been reportedly lodged. In fine, it is a case of Mega Scam, duping innumerable innocent Investors. It has further

transpired from the documents (Annexures C-1 to C-9) on behalf of the complainant that the Petitioner is facing a separate trial in Kolkata in a cheating case involving an amount of Rs.212 Crores, apart from proceedings in the Uttrakhand High Court for allegedly having forged a Bail Order. In the present Application, the Petitioner has shown his residential address as House No.41, Friends Colony East, New Delhi-110065 which is outside the jurisdiction of this Court, whereas in Annexure P-20 he was shown as resident of area within the jurisdiction of this Court being House No.837 Sector 16-D, Chandigarh, while in relation to the proceedings involving him in the criminal proceedings in Kolkata, he has been described as resident of 26-A Alipore Road, Kolkata-41. The net result is that the true and permanent residence of the Petitioner would also appear to be shrouded in secrecy.

6. Even otherwise, according to Section 420 of the IPC, the offence of cheating is complete by dishonestly inducing a victim to deliver any property to any person (not necessarily the inducer himself) and so even assuming that the Petitioner himself did not receive any money on behalf of 'M/s Ringing Bells Private Limited' Company (although there is actually some overwhelming material to contradict this claim) is accepted at its face value, still he cannot be absolved of the wrong doing because the cheated person(s) did actually believe him to be President of the accused Company as emphatically represented by himself in his proclamations in the various documents, which are all a part of the Annexures in this case.

7. It is true that in the normal course, bail is granted to accused persons

after completion of investigation, except in case of heinous offences, but that generalization applies essentially for the crimes affecting individuals or limited number of victims, and not in case involving scams or *enmasse* cheating of the public at large. Consequently, the fact that the Petitioner by now has undergone imprisonment for nearly five months and that the Challan against him has already been submitted, would not be a sufficient ground to release him in a cheating case of this magnitude and dimensions, considering his involvement in several other cases of a similar nature. It may be observed that a cue for the limit of detention period pending trial in a case of this nature can be had from the provisions of Section 436-A of the Cr.PC, which would appear to be attracted in their stricter interpretation in this case.

8. Dismissed.

May 24, 2018 **(SUDIP AHLUWALIA)**
AS **JUDGE**

1. Whether speaking/ reasoned : Yes/ No

2. Whether reportable : Yes/ No