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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 9053/2017

SANJAY SAGAR ..... Petitioner

Through: Mr. Arun Kumar Varma, Sr. Adv. with Mr. Aman Anand and Mr. Ashish Joshi, Advs.

versus

TRANSPORT DEPARTMENT, GOVERNMENT OF NCT DELHI & ORS ..... Respondents

Through: Mr. Sanjoy Ghose, ASC, GNCTD with Mr. Shwetank Singh, Adv. for R1 and R2.

CORAM:
HON'BLE MR. JUSTICE V. KAMESWAR RAO

O R D E R

% **24.05.2018**

CM. No. 36986/2017 (for exemption)

Exemption allowed subject to all just exceptions.

Application stands disposed of.

W.P.(C) 9053/2017

1. Present petition has been filed by the petitioner with the following prayers:

> *"In view of the aforesaid facts and circumstances, it is most respectfully prayed that this Hon'ble Court may be pleased to:-*
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> *(a) Issue a writ, order or direction, quashing setting aside the embargo dated 09.12.2014 placed by the Respondent No.2 on the Vehicle of the Petitioner and permit the Petitioner to deal with his Vehicle*

without fetters;

(b) *Direct the Respondent No.1 to issue a duplicate Registration Certificate for the vehicle to the Petitioner; and /or*

(c) *Pass any such order (s) as this Hon'ble Court may deem just fit and proper in the facts and circumstances of the present case, in favour of the petitioner and against the respondent."*

2. It is the case of the petitioner that he purchased a Mercedes Benz SLK-200 car bearing registration NO. DL-8C-AA-1077 from respondent no.3 on June 16, 2014 by making a payment through cheque to respondent no.3. The respondent no.3 being in possession of necessary executed forms under the Motor Vehicles Act, issued by the erstwhile owner and representing itself as the seller of the vehicle, undertook to have the vehicle transferred in the name of the petitioner. The petitioner is in possession of the vehicle ever since. It is the case of the petitioner that the vehicle was got transferred in his name in the records of respondent no.1 on June 18, 2014. On August 4, 2017, petitioner lost the original registration certificate of the said vehicle and on August 7, 2017, he reported the loss to the police authorities. On August 7, 2017 itself, petitioner approached respondent no.1 for issuance of duplicate registration certificate of the vehicle, when he was informed by the respondent no.1 that the vehicle has been blacklisted as per the directions of the respondent no.2, and hence the duplicate registration certificate for the vehicle cannot be issued. On enquiries it was revealed that respondent no.2 had issued a letter to the respondent no.1 on December 9, 2014 in relation to three FIRs directing the respondent no.1 to blacklist the vehicle. It is the case of the petitioner that at the relevant point of time, the vehicle was the property of the petitioner. It is the case of the petitioner on a

representation dated August 7, 2017 requesting respondent no.2 to lift the embargo placed on the petitioner's vehicle, no response was received from respondent no.2. Hence, the present petition has been filed.

3. Status report on behalf of respondent nos. 1 and 2 signed by the Assistant Commissioner of Police (EOW), New Delhi has been filed, wherein it has been stated that FIR No. 108/2014 under Sections 409/420/423/120-B IPC was registered on the complaint of Sh. Kishan Kumar Dwivedi and 12 other persons against Vigneshwara Developers Pvt. Ltd., Vigneshwara Developwell Pvt. Ltd. and other Group of Companies alleging that the Directors of Vigneshwara Developers Pvt. Ltd. and that of other group of companies approached them to invest in their projects at Manesar, IT Park, Gurgaon and Sector-74, Gurgaon in the year 2011-12. It was represented, the said investment would fetch handsome returns and the project shall be completed within five years. It was also stated that general public was induced to invest in the said projects by way of fraudulent assurances and representations given by the Directors, through mass media as well as in person. It is stated that no construction activity was ever started. Approximately 950 complaints have been received at EOW in respect of the aforesaid three cases and the total amount cheated is to the tune of Rs.407 Crores approximately. With regard to the car in question it is stated that vehicle was registered in the name of the Vigneshwara Developers Pvt. Ltd. Addressed at D-16, Bhagwani House, Hauz Khas, New Delhi. Further on June 10, 2014, the said vehicle was sold to M/s. Big Boy Toyz Ltd. Pvt. Ltd., respondent no.3 through Mr. Sanjay Kumar, the Director of the Vigneshwara Developers Pvt. Ltd. for a sale consideration of Rs.20 Lacs vide cheque no. 131188 and the said amount was credited in

the account no.710300003 of Citi Bank related to Vigneshwara Developers Pvt. Ltd. It is also stated in the status report that the petitioner has stated in his application that he is a registered owner of the car and purchased it from M/s. Big Boy Toyz Ltd. on June 16, 2014 for a consideration of Rs. 20 lacs the amount given through cheque No.701357 dated June 16, 2014. During investigation the above transactions got verified and they have been found to be correct. It is also stated that during the course of investigation, it was found that the group company owning more than 24 cars. During the search of the office premises, the residential premises of the accused persons and the company, it was found that most of the vehicles were taken away to undisclosed locations. The accused persons during the course of police custody remand stated that most of the vehicles have been sold. It is stated in the status report that the vehicle in question and other vehicles were purchased by M/s. Vigneshwara Developers Pvt. Ltd. from the amount invested by the investors. At the initial stage of investigation, an embargo was placed over 93 properties and about 24 cars related to the group companies in order to secure the interest of general public. After completion of investigation, chargesheet has been filed before the court concerned and further investigation is still pending and supplementary chargesheet has to be filed. It is also stated that the decision has been taken by the Ministry of Corporate Affairs to get the matter investigated by SFIO regarding the affairs of 17 group companies including the companies against whom the three FIRs have been registered.

4. Mr. Arun Varma, learned Sr. Counsel appearing for the petitioner would submit that the reference to FIR's which have been registered against the Directors of Vigneshwara Developers Pvt. Ltd. was much after the

vehicle was purchased by the petitioner. He lays stress on the fact that the vehicle stood transferred in the name of the petitioner on June 18, 2014. It just so happened that as the petitioner lost the registration certificate, he had to apply for duplicate registration certificate, which was refused. According to him, petitioner had purchased the vehicle from respondent no.3 who is a dealer of cars by paying a consideration which has been accepted by the respondent nos. 1 and 2 in their status report. In other words, it is his submission that the car purchased by the petitioner being bonafide, the petitioner cannot be denied issuance of duplicate registration certificate. It is also the submission of Mr. Varma that petitioner had paid an amount of Rs.20 Lacs to the respondent no.3 who in turn paid the same amount to Vigneshwara Developers Pvt. Ltd. which amount has been credited in the account of the Vigneshwara Developers Pvt. Ltd. in terms of the details given above.

5. On the other hand, Mr. Sanjoy Ghose, learned counsel appearing for respondent nos. 1 and 2 conceding the fact that the petitioner has purchased the car from the respondent no.3, that too on a sale consideration of Rs.20 Lacs which has been duly deposited in the Bank Account of the Vigneshwara Developers Pvt. Ltd., the details of which have been referred to above, states, the intention of the respondent no.2 to direct respondent no.1 not to register any transferred vehicle was only to secure the interest of the investors as the car in question is the property of the company. He also states, now, even the ministry of Corporate Affairs is investigating the affairs through SFIO.

6. Having heard the learned counsel for the parties, there is no dispute that the petitioner had paid an amount of Rs.20 Lacs to respondent no.3 who

in turn paid it to Vigneshwara Developers Pvt. Ltd. and the said amount has been credited in the company account. The registration of the vehicle is of June 18, 2014 whereas FIR(s) have been lodged on September 10, 2014, which is later in point of time. It can be said, in the absence of any communication from the police authorities, respondent no.1 had transferred the vehicle in the name of the petitioner. There is no denial to the fact that the registration certificate with regard to the car is in favour of the petitioner. The transfer having been effected, respondent no.1 cannot deny issuance of the duplicate certificate as on date to the petitioner, as the issuance of duplicate certificate would only certify the ownership as per its own record which is in favour of the petitioner herein, otherwise, without the certificate, the petitioner cannot ply the vehicle. It must be held that the petitioner is entitled to the relief to the extent that respondent no.1 shall issue a duplicate certificate to him with respect to the vehicle in question within a period of three weeks from today, but the issuance of duplicate certificate in favour of the petitioner shall be subject to the outcome of any investigation by EOW / SFIO.

The petition stands disposed of.

Dasti to both the parties.

CM. No. 9581/2018 (for early hearing)

Dismissed as infructuous.

V. KAMESWAR RAO, J

MAY 24, 2018/*jg*