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

**1. CRM-M No.7223 of 2020
Date of Decision: 13.10.2020**

**Jatinder Pal Singh ......Petitioner
Vs
State of U.T. Chandigarh .....Respondent**

2. CRM-M No.13699 of 2020

**Rattan Singh ......Petitioner
Vs
State of U.T. Chandigarh .....Respondent**

CORAM: ***HON'BLE MR. JUSTICE RAJ MOHAN SINGH***

Present: Mr. Rajiv Kataria, Advocate
for the petitioner in CRM-M No.7223 of 2020

Mr. Ishan Sharma, Advocate
for the petitioner in CRM-M No.13699 of 2020.

Mr. J.S. Toor, Advocate
for the respondent/UT Chandigarh.

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<u>RAJ MOHAN SINGH, J.</u>

[1]. Both the cases were taken up for hearing through video conferencing.

[2]. Vide this common order, CRM-M Nos.7223 and 13699 of 2020 are being decided. Since both the cases have arisen out of common FIR, therefore, for the sake of brevity common facts are being noticed.

[3]. In the aforesaid petitions, both the petitioners seek grant of anticipatory bail under Section 438 Cr.P.C in case

bearing FIR No.8 dated 01.02.2020, registered under Sections 420/467/468/471/120-B IPC at Police Station Sector 19, Chandigarh.

[4]. The FIR in question was lodged by Mahinder Singh Lamba, Asstt. General Manager, State Bank of Patiala, Sector 8-C, Chandigarh with the allegations that Jatinder Pal Singh (petitioner in CRM-M No.7223 of 2020) had approached the Branch of State Bank of Patiala at Sector 19, Chandigarh for availing car loan. The loan file was forwarded to Retail Assets Central Processing Cell of the Bank situated at Sector 8, Chandigarh. At the time of availing the loan, Jatinder Pal Singh also submitted the proforma invoice dated 07.02.2014 issued by Globe Toyota, B-51, Industrial Area, Phase-VI, Mohali, wherein the ex-showroom price of the Fortuner was shown as Rs.23,90,733/-. On usual verification, the car loan of Rs.20 lakhs was sanctioned for purchasing Fortuner car and a demand draft No.022385 dated 03.03.2014 in the sum of Rs.20 lakhs was issued in favour of Globe Toyota. One Mohan Lal stood as guarantor for repayment of the loan.

[5]. It had come on record that petitioner-Jatinder Pal Singh had taken loan of Rs.20 lakhs for the purchase of vehicle make Toyota Fortuner from Globe Toyota, Mohali. He had made booking of the car on 07.03.2014, but later on cancelled the

same. On the basis of forged invoice of Globe Toyota, Mohali loan of Rs.20 lakhs was sanctioned and credited to account number 777600210000169 which is in the name of Globe Automobiles. Out of aforesaid amount of Rs.20 lakhs, an amount of Rs.13 lakhs was transferred to the account of petitioner-Jatinder Pal Singh. Rattan Singh (petitioner in CRM-M No.13699 of 2020) is stated to be the Branch Manager of State Bank of Patiala, Sector 19, Chandigarh, who had conducted the pre-sanction survey and verified the documents of petitioner-Jatinder Pal Singh and guarantor Mohan Lal.

[6]. Learned counsel appearing on behalf of petitioner-Jatinder Pal Singh submitted that fraud has been committed with the petitioner by Vivek and Karanbir, who projected themselves to be 'Direct Marketing Agents' of the Bank and told the petitioner that they would get the personal loan sanctioned for him. It is further submitted that under the garb of personal loan, car loan has been got sanctioned by the aforesaid Vivek and Karanbir. The petitioner had no knowledge about the same and the documents were got signed from him. All the formalities were done by the aforesaid Vivek, Karanbir and Rattan Singh.

[7]. Learned counsel further submitted that for similar allegations, FIR No.66 dated 30.03.2017 at P.S. Kharar, FIR No.247 dated 30.07.2014 at P.S. Zirakpur, FIR No.246 dated

06.12.2017 at P.S. City Kharar and FIR No.60 dated 16.08.2017 at P.S. Nayagaon, Mohali have been registered against Vivek and Karanbir apart from other accused which included the Bank officials and others.

[8]. Learned counsel appearing on behalf of petitioner-Rattan Singh submitted that petitioner has no role to play in the present case. Petitioner has not been named in the FIR. Jatinder Pal Singh had himself submitted proforma invoice dated 07.02.2014 issued by the Globe Toyota, Mohali and thereafter submitted forged and fabricated documents for availing the bank loan. Petitioner-Rattan Singh acted as per rules and guidelines of the Bank in verifying the documents submitted by Jatinder Pal Singh. Petitioner has not sanctioned the loan to Jatinder Pal Singh, nor he handed over the loan amount to Jatinder Pal Singh. Petitioner does not have any connection with the bank account no.7776002100000169 of Punjab National Bank.

[9]. Per contra, learned counsel appearing on behalf of the respondent/UT Chandigarh submitted that both the petitioners are very much involved in the offence. Petitioner-Jatinder Pal Singh is a direct beneficiary and has received an amount of Rs.13 lakhs in his account from account no.7776002100000169 which was fraudulently opened to usurp the loan amount.

Petitioner-Jatinder Pal Singh has forged the documents for the sanction of loan. Earlier petitioner had applied for booking of the car and paid Rs.1 lakh, but later on he cancelled the booking. This raises a lot of suspicion over his *bona fide*.

[10]. With regard to the role of petitioner-Rattan Singh, learned counsel submitted that without the involvement and connivance of Rattan Singh, the loan amount could not have been sanctioned. He deliberately did not verify the invoice and other related documents, nor demanded for registration certificate, insurance certificate, etc. Physical verification of the vehicle was also not conducted by him.

[11]. Learned counsel further submitted that the involvement of petitioners being beneficiaries along with Vivek and Karanbir cannot be ruled out. The investigation is still pending and for effective investigation, custodial interrogation of the petitioners is required.

[12]. I have considered the submissions made by learned counsel for the parties.

[13]. In CRM-M No.7223 of 2020, notice of motion was issued on 18.02.2020 with an interim order of stay of arrest of petitioner-Jatinder Pal Singh. Further in pursuance of his contention, this Court had called for report with regard to Vivek

and Karanbir being 'Direct Marketing Agents' of any nationalized Bank or not. The said order reads as under:-

> *"Learned counsel for the petitioner contends that role of Vivek, Karanbir and Rattan needs to be ascertained while investigating the offence in question.*
>
> *Notice of motion for 27.02.2020.*
>
> *Let the Investigating Officer/S.H.O. of the concerned police station produce material before this Court as to whether the police has taken possession of record of FIR No.66 dated 30.03.2017 under Sections 406, 419, 420, 465, 467, 468, 471 and 120-B of IPC, Police Station Kharar against Vivek, Karanbir and Rajesh; FIR No.247 dated 30.07.2014 for the same offences against Vivek, Karanbir and Rattan registered in Police Station Zirakpur and FIR No.246 dated 06.12.2017 registered against the Branch Manager and Vivek etc. under Sections 465, 469, 471 and 420 of IPC who have participated in the present case.*
>
> *A specific information be also furnished whether Vivek and Karanbir are "Direct Marketing Agents" of any Nationalized Bank or not.*
>
> *Till the next date of hearing, arrest of the petitioner shall remain stayed."*

[14]. The Investigating Officer did not comply with the order before the adjourned date and even on the adjourned date i.e. 27.02.2020, learned State counsel sought further time to comply with the order dated 18.02.2020. One more indulgence was granted to him to comply with the order and the case was accordingly adjourned to 12.03.2020. Interim order was ordered

to continue. Even on 12.03.2020, the learned counsel through Investigating Officer did not comply with the order dated 18.02.2020. This Court after noticing the aforesaid facts, passed the following order on 21.07.2020:-

> *"The case has been taken up for hearing through video-conferencing.*
>
> *Vide order dated 12.03.2020, one more opportunity was granted to learned counsel for UT, Chandigarh to comply with order dated 18.02.2020. A specific information was required to be furnished in respect of Vivek and Karanbir i.e. whether they are "Direct Marketing Agents" of any Nationalized Bank or not.*
>
> *Order dated 18.02.2020 has not been complied with till date and no information has been furnished on record, despite two adjournments granted after the order dated 18.02.2020.*
>
> *Faced with this situation, this Court has no option but to consider the case on its own merits on the adjourned date.*
>
> *Adjourned to 08.10.2020, i.e. the date already fixed by general order.*
>
> *Interim order to continue."*

[15]. Owing to the aforesaid circumstances, the status report subsequently filed on behalf of the respondent-UT Chandigarh is not to be considered by this Court, but still in the interest of justice, this Court had a glance over the material submitted by the prosecution through an affidavit of Shadi Lal, S.H.O. P.S.

Sector 19, Chandigarh.

[16]. In view of aforesaid reply, it has been found that Vivek and Karanbir were not appointed as 'Direct Marketing Agents'. The details of FIRs against Vivek and Karanbir were made part of inquiry. The fact that petitioner-Jatinder Pal Singh had earlier applied for booking of car, had paid an amount of Rs.1 lakh and thereafter got the booking cancelled points towards his involvement in the present case. Petitioner-Jatinder Pal Singh is a direct beneficiary and has received an amount of Rs.13 lakhs in his account. As far as accused-Rattan Singh is concerned, his role has to be thoroughly investigated.

[17]. At this stage, it is hard to fathom as to how the loan could have been disbursed without the car being actually delivered and without there being any physical verification. It could only be possible with the connivance of the Bank officials. Names of Vivek and Karanbir under the alleged plea of 'Direct Marketing Agents' have appeared in number of cases in and around Chandigarh. It appears that there is a scam coined by these unscrupulous persons in connivance with the Bank officials. Four such cases have been brought to the notice of this Court, in which involvement of Vivek and Karanbir has come to fore. Those cases are subject to lawful investigation by the respective Investigating Officers of the cases, but the fact

remains that it is a scam, where huge public money is involved. To unearth this scam and involvement of all persons, custodial interrogation of the petitioners is necessary. Therefore, both the cases are not fit enough to be granted anticipatory bail to the petitioners. The same are accordingly dismissed.

[18]. However, keeping in view the facts involved in the present cases and the investigation conducted so far, it is found that necessary investigation is wanting to some extent. Compliance of the order of this Court has not been made in time despite adjournments. Though the case is still at the stage of investigation, but keeping in view the involvement of huge public money, the Sr. Superintendent of Police, Chandigarh is directed to entrust the investigation of the cases to Economic Offences Wing of UT,Chandigarh, particularly to an officer not below the rank of DSP of EOW, UT, Chandigarh in accordance with law. Let a copy of this order along with copies of the petitions be sent to the office of Sr. Superintendent of Police, Chandigarh for immediate compliance of the order.

(RAJ MOHAN SINGH)
JUDGE

October 13, 2020
Atik

Whether speaking/reasoned Yes/No
Whether reportable Yes/No