

IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

Sr. No.209

CRM-M-14229-2022 (O&M)
Date of decision : 30.01.2023

Sanjay

..... Petitioner

VERSUS

The Serious Fraud Investigation Office

..... Respondent

CORAM: HON'BLE MR. JUSTICE SUDHIR MITTAL

Present: Mr. Sandeep Jain, Advocate, for the petitioner.

Mrs. Puneeta Sethi, Sr. Panel Counsel, for the respondent.

SUDHIR MITTAL, J. (Oral)

CRM-20930-2022

Since, the main case is listed, the application has been rendered infructuous.

It is disposed of as having been rendered infructuous.

CRM-M-14229-2022

This petition has been filed for grant of regular bail in complaint case COMA No.17 of 2021 filed against the petitioner under Section 448 of the Companies Act, 2013 (hereinafter referred to as the Act.)

According to the complaint, the petitioner is a Director of SRS Shining Ornaments Limited which is a part of the SRS Group. About 88 companies comprised the group. All the companies of the said group have siphoned of public funds to the tune of Rs.645.86 crores.

Learned counsel for the petitioner has submitted that the only allegation against the petitioner is of having signed balance-sheet for the year 2015-16. The co-accused similarly situated as the petitioner, namely, Deepak Garg has been granted interim bail by this Court. There is no

allegation of siphoning of funds against the petitioner. He has been in custody since 11.3.2022. Thus, the petitioner may be granted regular bail.

Learned counsel for the respondent has submitted that bail petition of identically situated co-accused, namely, Bhagwan Dass Gupta has been rejected by this Court vide judgment dated 09.12.2022 passed in CRM-M-25345-2022. Thus, the petitioner does not deserve any relief.

A perusal of the aforementioned judgment shows that the allegation against Bhagwan Dass Gupta was also of having signed various financial statements only. Despite the same, it was held that a Director is required to discharge duties with due diligence and is bound to ensure that funds of the company are not diverted. It has also been held that conviction under Section 448 of the Act automatically entails conviction under Section 447 thereof. Section 447 of the Act prescribes that before an accused is granted bail twin findings must be returned i.e. the accused is likely to be acquitted and that he would not commit any offence while on bail.

Even the first condition has not been satisfied in this case. In fact, a submission has also not been made, the petitioner is likely to be acquitted. Thus, the present petition is not entitled to succeed.

For the foregoing reasons, the petition has no merit and dismissed.

(SUDHIR MITTAL)
JUDGE

30.01.2023
Ramandeep Singh

Whether speaking / reasoned
Whether Reportable

Yes
No