IN THE HIGH COURT OF PUNJAB AND HARYANA

AT CHANDIGARH

CRM-M-54189-2022 (O&M)
Reserved on: 02.08.2023
Pronounced on: 19.10.2023

Harpreet Singh
... Petitioner(s)

Versus

State of Punjab
...Respondent (s)

CORAM: HON'BLE MR. JUSTICE ANOOP CHITKARA

Present:- Mr. H.S. Jugait, Advocate
for the petitioner(s).

Mr. Aman Pal, Addl.A.G., Punjab.

Mr. Gopal Singh Nahel, Advocate for PACL.

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ANOOP CHITKARA, J.

FIR No.	Dated	Police Station	Sections
79	16.07.2020	City Zira, District Ferozepur	406, 420, 467, 468, 471, 120-B IPC

The present petition was being listed along with so many other connected matters and the same were being adjourned on one pretext or the other and as such, this Court decided to keep on hearing and reserving the every petition whenever it was possible. As such, although these petitions were heard on different dates, but the judgments therein are being pronounced simultaneously.

2. The petitioner incarcerated in the FIR captioned above, on the allegations that he, being the General Power of Attorney of one Manoj Kumar who was an official of PACL, sold land measuring 32 kanal vide sale deed dated 9.8.2016 to one Usha and 48 kanal vide sale deed dated 9.9.2016 to Surjeet Kaur in violation of orders of Hon'ble Supreme Court whereby restrictions were imposed alienating such properties, has come up before this Court under Section 439 CrPC seeking bail.

3. The present petition was filed on 18.11.2022 and the same was listed for the first time on 16.01.2023. Vide order dated 18.5.2023, the petitioner was granted interim bail subject to compliance of certain conditions. On 7.7.2023, petitioner's counsel stated that all the conditions have been complied with and they would have no objection in case any additional conditions are imposed and the said order is continuing till date.

4. In paragraph 10 of the bail petition, the accused declares that he has no criminal antecedents

5. The crime relates to a massive scam involving the general public's thousands of crores of rupees by two companies, i.e., PACL and PFG Limited. The *modus operandi* of some of the people controlling the PACL and PFG Limited was to persuade innocent investors to invest in the company's plots and lands with an assurance that their money would be doubled quickly. The companies used the services of various unethical agents, who allured and convinced the people about the validity and genuineness of the claims made by PACL and PFG Limited. In the inquiry conducted by CBI, they got sufficient evidence that PACL and PFG Limited were sister concerns and routing money by laundering. The primary allegations are that some Directors, some employees, some agents and some brokers of PACL, and some other persons, in connivance with a large number of Revenue officials, including the petitioner, who was well aware of the fact that the properties of the PACL were being disposed of at lower circle rates fixed by corrupt Revenue officials, which fact of undervaluation was well within the knowledge of senior Government officers at the highest level.

6. When this Ponzi fraud & scam came to the people's glare, initially, the CBI registered FIR No. RC.BD-1/2014/E/004/BS&FC/New Delhi dated 19.02.2014 under Sections 409, 411, 420, 467, 468, 471, 120-B IP. In February 2014, the CBI inspected the offices of PACL and confiscated lists of its other assets and subsidiary companies throughout the country. Considering the mammoth volume of the scam, an inquiry was also initiated by the Enforcement Directorate as well as SEBI, and after that, the Punjab Police. As per the reply/affidavit dated 7.7.2023, people were filing complaints, and based on one such complaint by one Pradeep Kumar, the FIR captioned above was registered by Punjab Police. The CBI had taken possession of around twenty-nine thousand sale deeds pertaining to this company and the CBI also communicated about the crime to the Government of Punjab. Based on such communication, the Punjab Government issued memo. No.24/55/15-S.T.1/9089-08, Chandigarh dated 30.06.2015 to all the Deputy Commissioners except of Faridkot, Jalandhar and Tarn Taran with directions to all the revenue officials that the company's properties shall not be sold except with the prior permission of the concerned Deputy Commissioner.

7. The allegations were that some Directors, some employees, some agents and some brokers of PACL and some other persons, in connivance with large number of Revenue officials, who were well aware of the properties of the PACL, disposed of the properties in a fraudulent and dishonest manner at lower circle rates fixed by corrupt

Revenue officials. This fact of undervaluation was well within the knowledge of senior Government officers at highest level.

8. In the meantime, the matter went to the Hon'ble Supreme Court, which constituted a committee headed by former CJI Justice R.M. Lodha (Retd.) for reimbursement of the money belonging to the investors of PACL by disposing of its properties and its associate companies. The order was passed in Civil Appeal No.13301/2015 on 2.2.2016. Subsequently, vide order dated 25.7.2016, the Hon'ble Supreme Court stayed the sale of properties of PACL and PFG Limited. The Lodha Committee issued advisories to the people at large not to deal with the properties of PACL within or outside India.

9. The accused were influential people threatening the complainant and using unfair means to dispose of its properties. In the inquiry mentioned above, the investigator got substantive evidence that despite orders passed by the Supreme Court, the PACL and its subsidiary companies illegally and fraudulently, in violation of the orders of the Supreme Court, disposed of some properties and, based on such report, the present FIR no.79 dated 16.7.2020, captioned above, was registered.

10. After registration of the FIR, a Special Investigation Team was constituted, headed by the Superintendent of Police, and DySP and other officials were its members. In the enquiry, it transpired that PACL had purchased around 715 acres of land in its name or the names of its associated companies and names of some individuals.

11. The inquiry also transpired that the petitioner, who was General Power of Attorney of co-accused one Manoj Kumar, who was an official of PACL, sold land measuring 32 kanal vide sale deed dated 9.8.2016 to one Usha and 48 kanal vide sale deed dated 9.9.2016 to Surjeet Kaur in violation of orders passed by Hon'ble the Supreme Court without any authority. Certainly, the land was not purchased out of the funds belonging to the petitioner but from the funds belonging to the PACL. Specific allegations against the petitioner are mentioned in paragraph 20 of the status report dated 7.7.2023 filed by the State by way of affidavit of DSP, Vigilance Bureau, SAS Nagar, which read as under:-

> "20. That the allegations against the accused are that PACL Ltd. had purchased 160 Kanals of land in village Achalpur, Tehsil Garhshanker, District Nawanshahr in name of their official Manoj Kumar Sharma vide deed No. 3022 dated 16.01.2008 through a broker Gurnam Singh. The above said sale deed No. 3022 was recovered by CBI taken into custody during investigation of its case No.RC.BD1/2014/E/004/CBI/BS&FC/ New Delhi dated 19.02.2014. Manoj Kumar had executed a General Power of of Attorney regarding above said land in favour of accused petitioner Harpreet Singh. Accused petitioner Harpreet Singh, on the basis of this General Power of Attorney, further sold land measuring 32 Kanal vide sale

> deed No. 1054 dated 09.08.2016 to Usha wife of Pawan Kataria resident of Village Dallewal, District Hoshiarpur and 48 Kanal vide sale deed No.1280 dated 09.09.2016 to Surjeet Kaur wife of Charanjit Singh resident of Bhawanipur, Tehsil Garshankar, District Hoshiarpur despite having knowledge of that this land belongs to PACL Ltd and Hon'ble Supreme Court has issued restraining order for further alienation of properties belonging to PACL Ltd. its associate companies/ directors/ promoters/ agents/ employees and other concerned individuals. The accused Harpreet Singh has been arrested on 09.09.2022.”

12. The petitioner has mentioned in paragraph 6 of the petition that he was a property dealer by profession and was having power of attorney of Manoj Sharma qua the land situated in Village Achalpur, District Tehsil Ghadshakar and it was as per the instructions of said Manoj Sharma, he sold the land in question and entire sale proceeds were handed over to Manoj Sharma and not a single penny was ever taken by him and thus, he was not a beneficiary. This argument is baseless, because the petitioner being the General Power of Attorney of co-accused was not supposed to sell the land in violation of orders of Hon’ble the Supreme Court.

13. Although custody of about 8½ months of the petitioner is not sufficient, however, when we analyse his case in large perspective and consider the fact that the petitioner is not shown to be a beneficiary and was working as a money mule to launder the ill gotten money by other influential people, his pre-trial custody appears to be sufficient and no further pre-trial custody would be required unless the petitioner violates any of the conditions imposed by this Court or fails to attend the trial.

14. Given the above, the interim order dated 18.5.2023 is made absolute, subject to the condition that the petitioner shall not violate any terms and conditions mentioned in the said order and case, the petitioner does so, the State shall file an application for cancellation of bail before this Court without any delay.

Petition allowed in aforesaid terms. All pending applications, if any, stand disposed.

(ANOOP CHITKARA)
JUDGE

October 19, 2023
AK

Whether speaking/reasoned	:	Yes
Whether reportable	:	No

ASHWANI KUMAR
2023.10.19 15:45
I attest to the accuracy and authenticity of this order/judgment