IN THE HIGH COURT OF PUNJAB AND HARYANA

AT CHANDIGARH

CRM-M-58739-2022 (O&M)
Reserved on: 02.08.2023
Pronounced on: 19.10.2023

Dharminder Singh

... Petitioner(s)

Versus

State of Punjab

...Respondent (s)

CORAM: HON'BLE MR. JUSTICE ANOOP CHITKARA

Present:- Mr. N.S. Kandhola, 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 and Section 42 of Aadhar Card Act.

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 vide sale deed dated 5.11.2018, he in connivance with Directors and Promotors of PACL Limited and its associate companies had sold land measuring 56 kanal 16 marla, despite the orders of Hon'ble Supreme Court whereby restrictions were imposed on alienation of such properties, has come up before this Court under Section 439 CrPC seeking bail.

3. The present petition was filed on 9.12.2022 and the same was listed for the first time on 21.12.2022. 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 9 of the bail petition, the accused declares his criminal antecedents as follows:-

S.No.	FIR No.	Date	Offences	Police Station
1.	20	3.2.2018	379, 188 IPC and 4(1)21(1) of the Mines and Minerals (Development & Regulations), Act, 1957	Chamkaur Sahib, District Ropar

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 had also sold the land 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 purchased 225 Kanal 12 Marla land in the name of petitioner accused Dharminder Singh, vide sale deed no. 444 dated 27.07.2006 in the village Bahera, District Hoshiarpur. Funds to purchase this land were provided by PACL Ltd. Petitioner Dharmendra Singh had executed a General Power of Attorney of above land in favour of PACL Limited's authorized representative namely Beant Singh S/o Ujagar Singh, Sr. Manager PACL Ltd. on 02.03.2009. General Power of Attorney and original sale deed of above said land was seized and taken into custody by CBI during investigation of its case no.RC.BD1/2014/E/004/CBI/BS&FC/New Delhi dated 19.02.2014. Petitioner illegally sold the land measuring 56 Kanal 16 Marla in Village Bahera vide sale deed, 479 dated 05.11.2018 in connivance with Directors/promoters of PACL Ltd. and its associate companies despite having knowledge of orders of Hon'ble Supreme Court restricting alienation of properties belonging to PACL Ltd, its associate/ group companies/Directors/ Promoters/Agents/Employees and other concerned individuals."

12. In previous reply dated 28.02.2023, copy of sale deed dated 5.11.2018 (Annexure R-9) was annexed. This sale deed bears the date of registration as 1.11.2018 and seller is petitioner - Dharminder Singh, and the date of agreement based on which the sale deed was executed was referred as 29.10.2018. Thus, this sale deed was registered after the specific restrictions by Hon'ble the Supreme Court passed vide order dated 25.7.2016, in which almost everybody was restrained from selling, transferring or alienating the said property.

13. The petitioner has explicitly mentioned in paragraph 4 of the petition that he was neither an employee of the company nor an agent and thus, he was not related to the company in any manner. However, since the Directors and Managing Director-cum-Chairman of the company belonged to his area and as such, they purchased *benami* land in his name and the same was sold by them. As such, he was not a beneficiary. This argument is baseless, because the petitioner was not supposed to sell the land in violation of orders of Hon'ble the Supreme Court. Moreover, the stand of the petitioner that he belonged to the area of Directors and Managing Director-cum-Chairman of the company and was so close to them that they trusted him for purchasing a massive chunk of land in his name, would *prima facie* point out that he was aware of whatever was going on and also the restraint orders of the Hon'ble Supreme Court.

14. Although custody of about 9 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.

15. 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