

IN THE COURT OF DR. TARUN SAHRAWAT
ASJ-04 & SPECIAL JUDGE (NDPS)
SOUTH-EAST DISTRICT, SAKET COURT, NEW DELHI

CRIMINAL PETITION NO. 509 OF 2024

Sh. Sanjeev Jindal
S/o Late Shri J.R. Jindal
R/o H.No. 561, G.T. Road,
Shahdara, Delhi-110032

... Revisionist

Versus

The State
Govt. of NCT of Delhi
Through Public Prosecutor

....Respondent

Date of Institution:	02.09.2024
Date of argument:	28.04.2026
Date of Order :	19.05.2026

ORDER

1. The present criminal revision petition has been preferred by the revisionist assailing the order dated **16.07.2024** passed by the Ld. Chief Judicial Magistrate, South-East District, Saket Courts, New Delhi in **Cr. No. 7394/2018** arising out of **FIR No. 01/2010, PS EOW, South District**, whereby charges under **Sections 419/420/467/468/471/120B IPC** were directed to be framed against the revisionist Sanjeev Jindal.

2. The prosecution case, as reflected from the charge-sheet, is that deceased accused persons namely **Kartar Singh, Rajesh Chugh** and **Virender Khullar**, in conspiracy with remaining accused persons, used forged title documents in respect of the property bearing no **No. S-531**,

Greater Kailash-II, New Delhi for securing loan facilities from **Karur Vysya Bank** in favour of **Overseas Exports**. It is alleged that **Kartar Singh** impersonated the original owner and forged property papers were deposited before the bank for creation of equitable mortgage.

3. The case against the revisionist Sanjiv Jindal essentially proceeds on the allegation that he stood as a guarantor and that certain portions of the loan amount were subsequently transferred to business entities stated to be connected with him.

4. As per the prosecution, an amount of **Rs.15,00,000/-** released as PCL dated **20.03.2001** and another amount of **Rs.4,20,000/-** allegedly stood utilised in favour of Inter Star Exports, whereas a further amount of **Rs.10,60,000/-** was allegedly withdrawn in cash and later deposited in an account of Inter Ocean Traders, stated to be associated with the revisionist. On the basis of these transactions, the Ld. Trial Court observed that the revisionist appeared to be the *“main beneficiary”* of the loan transaction and consequently inferred that the possibility of his involvement in the alleged conspiracy could not be ruled out.

5. Other reasons for framing the charge by Ld. Trial Court are that firstly, the Ld. Trial Court noted that forged documents relating to property bearing **No. S-531, Greater Kailash-II, New Delhi** had allegedly been used for obtaining loan facilities from **Karur Vysya Bank** in favour of partnership firm **Overseas Exports**. Secondly, reliance was placed upon an **FSL report** which allegedly opined that the title documents submitted before the bank were forged and that signatures appearing thereon did not correspond with genuine records. Thirdly, the Ld. Trial Court observed that loan proceeds released by **Karur Vysya Bank** were allegedly routed to business entities connected with the revisionist including **Inter Star Exports, Inter Ocean Traders,**

Mitees Hightech India Pvt. Ltd. and **Excel Exim Pvt. Ltd.** Lastly, Ld. Trial Court proceeded on the reasoning that since the revisionist allegedly benefitted from such monetary transfers, the possibility of his participation in conspiracy and awareness of forgery *“could not be ruled out”*.

6. The impugned order has been challenged by the revisionist on various grounds, inter-alia:

(i) That the same suffers from non-application of judicial mind;

(ii) That no prima facie material exists connecting the revisionist with preparation, execution or use of forged property documents; and

(iii) That the Ld. Trial Court proceeded merely on conjectures and assumptions without there being material disclosing grave suspicion as required in law.

7. On the basis of aforementioned grounds, the revisionist prayed for setting aside the impugned order dated 16.07.2024.

8. Trial Court Record has been summoned and carefully perused. Written arguments filed on behalf of the revisionist as well as submissions advanced by the Ld. Addl. Public Prosecutor for the State have also been considered.

9. Having heard the arguments and perused the entire record, I find firstly that as per the prosecution case, the direct allegations concerning forgery and impersonation principally revolve around deceased accused **Kartar Singh**, who allegedly impersonated the original owner of the property, and deceased accused persons **Rajesh Chugh** and **Virender Khullar**, who were partners of Overseas Exports and who allegedly availed the loan facility. However, they expired

during inquiry and thus, proceedings qua all the aforesaid accused persons stood abated.

10. In this matter, the first offence for consideration is **Section 419 IPC** dealing with cheating by personation. The essential requirement of the offence is impersonation, namely, deception by pretending to be another person or knowingly allowing another person to impersonate. The prosecution case does not disclose any allegation that the revisionist Sanjiv Jindal impersonated any individual or induced any person through impersonation. The impugned order itself records that deceased accused **Kartar Singh** allegedly impersonated the original owner of the property, namely **Kartar Singh S/o Jeevan Singh**, resident of Jaipur. No witness statement, documentary material or circumstance has been pointed out either in the charge-sheet or the impugned order suggesting that the revisionist participated in such alleged impersonation or was aware thereof. The mere circumstance that the revisionist stood guarantor to a loan transaction or had commercial dealings with entities receiving funds does not prima facie satisfy ingredients of **Section 419 IPC**. Ld. Trial Court, in its impugned order, did not discuss any material showing participation of the revisionist in impersonation. In absence of any material disclosing impersonation or participation therein, this Court does not find grave suspicion against the accused/ revisionist for the offence punishable under **Section 419 IPC**.

11. Coming to **Section 420 IPC**, the essential ingredients are dishonest inducement and delivery of property pursuant to fraudulent or dishonest intention existing at inception. To sustain a charge under **Section 420 IPC**, prosecution must prima facie show deception practiced by the accused resulting in inducement of another person to

part with property. The prosecution case in the present matter is that **Karur Vysya Bank** sanctioned loan facilities on the basis of forged collateral documents. However, perusal of the record itself shows no material indicating that the revisionist induced the bank, represented title of the property to be genuine, submitted forged title deeds, or participated in negotiations leading to sanction of loan. Ld. Trial Court inferred involvement primarily because certain amounts allegedly reached companies linked with the revisionist. Such financial linkage, by itself, without prima facie material showing dishonest inducement or fraudulent intent at inception, cannot satisfy the essential ingredients of offence of cheating

12. The issue before this Court is whether the prosecution material, standing independently and accepted at face value, discloses grave suspicion of cheating. A commercial or financial relationship resulting in transfer of funds cannot automatically be converted into criminal conspiracy unless supported by surrounding material disclosing dishonest intention and knowledge of illegality. In *Hridaya Ranjan Prasad Verma v. State of Bihar, (2000) 4 SCC 168* the Hon'ble Supreme Court categorically held that ***“mere breach of contract cannot give rise to criminal prosecution for cheating unless fraudulent or dishonest intention is shown right at the beginning of the transaction”*** and that ***“it is the intention which is the gist of the offence.”*** No material has been pointed out in the present case showing that the revisionist represented false ownership, vouched for authenticity of title documents, or made any false representation to the bank. Consequently, the essential ingredient of dishonest inducement attributable to the revisionist remains conspicuously absent.

13. Further, it would be pertinent to mention here that as per the prosecution, the loan transaction had already been settled before the Debts Recovery Tribunal and thereupon, the bank also issued a “**No Dues Certificate**” after full and final settlement. This circumstance, though not determinative of criminal liability, materially weakens the inference of dishonest intention qua the revisionist particularly where prosecution has failed to independently establish prima facie deception attributable to him.

14. Further, I may note that **Section 467 IPC** concerns forgery of valuable security, while **Section 468 IPC** deals with forgery committed for purpose of cheating. In the Instant matter, Ld. Trial Court relied upon **FSL** opinion showing signatures on title documents to be forged. However, as per settled law, existence of forged documents can not intrinsically implicate every person remotely associated with the transaction. The material question is whether there exists prima facie material linking the revisionist with preparation, fabrication, procurement or conscious use of forged documents.

15. On careful examination of the impugned order and charge-sheet material referred to therein, I find no such material showing that any questioned signature or handwriting has been attributed to the revisionist. There is no allegation that the revisionist executed forged sale deeds, procured fabricated title papers, impersonated the original owner or instructed preparation of forged documents. No document allegedly forged bears his signature. No witness in the statement recorded under **Section 161 Cr.P.C.** attributes to him any role in preparation or fabrication of forged title documents. Thus, I observe that the prosecution has failed to disclose even prima facie nexus

between the revisionist and the actus reus necessary to sustain charges under Sections 467 and 468 IPC.

16. The observations of Ld. Trial Court were predictated mainly on the reasoning that since funds ultimately benefited entities connected with the revisionist, “*possibility*” of his involvement in creating or commissioning forged documents could not be ruled out. Such reasoning, in my considered opinion, falls short of the legal threshold. The law requires grave suspicion founded on material and not inference resting merely upon financial association. Possibility, conjecture or suspicion arising from subsequent financial transactions cannot substitute prima facie evidence connecting the accused to the act of forgery.

17. Further, I note that in order to attract **Section 471 IPC**, prosecution must prima facie show that accused used forged document as genuine and knew or had reason to believe it to be forged. The element of knowledge is foundational. The charge-sheet material, nowhere reveals that the revisionist presented forged title papers before Karur Vysya Bank, relied upon them before authorities or handled such documents in any identifiable manner. There is no material on record demonstrating that the revisionist knew that the property documents were forged or that he was the maker of that document. Reliance is placed upon *Mohd. Ibrahim and Others vs. State of Bihar and Another, (2009) 8 SCC 751*, wherein the Hon’ble Apex Court observed as under:

16. There is a fundamental difference between a person executing a sale deed claiming that the property conveyed is his property, and a person executing sale deed by impersonating the owner or falsely claiming to be authorised or empowered by the owner, to execute the deed on owner's behalf. When a person executes a document conveying a property describing it as his, there are two possibilities. The first is that he bona fide believes

that the property actually belongs to him. The second is that he may be dishonestly or fraudulently claiming it to be his even though he knows that it is not his property. But to fall under first category of 'false documents', it is not sufficient that a document has been made or executed dishonestly or fraudulently. There is a further requirement that it should have been made with the intention of causing it to be believed that such document was made or executed by, or by the authority of a person, by whom or by whose authority he knows that it was not made or executed."

18. Thus, the foundational basis upon which Ld. Trial Court proceeded against the present revisionist was essentially inferential in nature, such as, that because certain business entities connected with the revisionist allegedly received monetary transfers after disbursement of the loan, and because forged documents were used in obtaining such loan, the possibility of criminal conspiracy involving the revisionist could not be excluded.

19. The question which therefore arises before this Court is whether such material, taken at face value, constitutes the degree of suspicion recognised by law for framing charge, namely grave or strong suspicion founded on material, or whether the same merely raises conjectural suspicion incapable of sustaining criminal prosecution. Further, reliance is placed upon the case of *Sheila Sebastian vs. R. Jawaharaj and Another, (2018) 7 SCC 581*, wherein the Hon'ble Apex Court held as under:

"28. In this case at hand, the imposter has not been found or investigated into by the officer concerned. Nothing has been spilled on the relationship between the imposter and Respondent 1. Law is well settled with regard to the fact that however strong the suspicion may be, it cannot take the place of proof. Strong suspicion, coincidence, grave doubt cannot take the place of proof. Always a duty is cast upon the courts to ensure that suspicion does not take place of the legal proof. In this case, the trial court as well as the appellate court got carried away by the fact that accused is the beneficiary or the executant of the mortgage deed, whereas the prosecution miserably failed to prove the first transaction i.e. PoA as a fraudulent and forged transaction. The standard of proof in a criminal trial is proof beyond reasonable doubt because the right to personal liberty of a

citizen can never be taken away by the standard of preponderance of probability.”

20. The law governing framing of charge is no longer res integra. In *Union of India v. Prafulla Kumar Samal, (1979) 3 SCC 4*, the Hon’ble Supreme Court held that while considering the question of charge, the Court possesses limited jurisdiction to sift and weigh material for determining whether a prima facie case exists and where two views are possible and the material merely gives rise to some suspicion as opposed to grave suspicion, discharge would be justified.

21. Similarly, in *Sajjan Kumar v. CBI, (2010) 9 SCC 368*, it was reiterated that the Court is required to examine whether the material placed on record discloses existence of ingredients constituting the alleged offence and raises grave suspicion against the accused.

22. In *Dilawar Balu Kurane v. State of Maharashtra, (2002) 2 SCC 135*, the Hon’ble Supreme Court specifically held that if two views are equally possible and the material merely gives rise to some suspicion but not grave suspicion, discharge becomes warranted.

23. The Hon’ble Delhi High Court in *Ashok Bhadauria v. State, 2016 SCC OnLine Del 6316* further observed that an order on charge must indicate the material on the basis of which prima facie opinion is formed and cannot rest upon generalized observations or assumptions.

24. It is therefore settled law that though the Court at the stage of charge does not conduct a mini trial, it nevertheless has a duty to examine whether material collected during investigation discloses grave suspicion founded on legally admissible circumstances relating to ingredients of the offence alleged. Suspicion, however strong, cannot substitute material giving rise to grave suspicion and mere

possibilities cannot replace prima facie satisfaction grounded in evidence.

25. The gravamen of prosecution case ultimately rests upon allegation of conspiracy punishable under Section 120B IPC. Criminal conspiracy necessarily requires agreement between two or more persons to commit an unlawful act or lawful act by unlawful means. Though conspiracy may be inferred from circumstances, such inference must arise from material disclosing meeting of minds. Mere association, acquaintance or business transactions are insufficient to constitute conspiracy unless accompanied by circumstances pointing toward concerted criminal intent. In *Kehar Singh v. State (Delhi Administration)*, 1988 Supp SCC 711, the Hon'ble Supreme Court held that conspiracy may be proved through circumstantial evidence; however, there must exist material indicating meeting of minds and unity of purpose between the accused persons. Similarly, in *State (NCT of Delhi) v. Navjot Sandhu*, (2005) 11 SCC 600, it was observed that suspicion, however strong, cannot substitute proof of agreement and conscious participation in conspiracy.”

26. In the present case, Ld. Trial Court inferred conspiracy substantially because funds allegedly travelled to entities connected with the revisionist. However, beyond such alleged transfers, no material has been referred to showing communication, meetings, instructions, coordinated acts or conduct linking the revisionist with alleged preparation or submission of forged title documents. No witness statement suggests agreement between revisionist and deceased accused persons regarding creation of forged documents. No circumstance indicates that the revisionist had prior knowledge of alleged impersonation by deceased Kartar Singh. Mere business

transactions or financial benefit, absent surrounding circumstances evidencing criminal design, cannot alone justify presumption of conspiracy.

27. Conspiracy cannot be presumed merely from commercial dealings between parties. The prosecution was required to place prima facie material showing conscious participation or meeting of minds between the revisionist and co-accused regarding use of forged property documents, which is conspicuously absent.

28. Though at the stage of charge, the prosecution case is to be accepted at face value, the material at best raises mere suspicion arising from disputed financial transactions and transfer of loan proceeds to entities connected with the revisionist. Such circumstances alone do not constitute grave suspicion of cheating, forgery, use of forged documents, or conspiracy in absence of prima facie material showing mens rea, knowledge, or conscious involvement.

29. Ld. Trial Court primarily inferred involvement from the use of forged property documents in obtaining the loan and subsequent transfer of funds to entities linked with the revisionist. Criminal law, however, cannot proceed on surmises or speculative possibilities. Even at the stage of charge, there must exist material giving rise to grave suspicion founded on legally relevant material constituting the ingredients of the alleged offences.

30. Significantly, no statement under **Section 161 Cr.P.C.** attributes to the revisionist any role in preparation, procurement, execution, or use of forged documents, nor is there material showing participation in any conspiracy or representation before the bank regarding authenticity of title documents. The **FSL report** merely establishes forgery of documents and not the authorship or involvement of the revisionist.

31. Though revisional jurisdiction against an order on charge is limited, interference is warranted where the order proceeds on assumptions unsupported by prima facie material. The impugned order, insofar as it concerns the revisionist, is founded on inference and possibility rather than grave suspicion supported by legally admissible material.

32. Accordingly, the present revision petition stands allowed. The impugned order dated **16.07.2024** passed by the Ld. Chief Judicial Magistrate, South-East District, Saket Courts, New Delhi in **Cr. No. 7394/2018** arising out of **FIR No. 01/2010, PS EOW, South District**, insofar as it directs framing of charge against the revisionist Sanjeev Jindal under **Sections 419/420/467/468/471/120B IPC**, is hereby set aside.

33. Resultantly, the revisionist Sanjeev Jindal stands discharged from the offences punishable under **Sections 419/420/467/468/471/120B IPC** in the present matter.

34. Trial Court Record be sent back alongwith copy of this order for information and compliance.

35. Revision file be consigned to Record Room after due compliance.

(Dr. Tarun Sahrawat)
Presently posted as
District Judge (Commercial), Digital
South-East, Saket Court, New Delhi
Earlier presided over the Court of
ASJ-04 & Special Judge (NDPS)
South-East, Saket Court, New Delhi
19.05.2026