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The date when the judgment is reserved	The date when the judgment is pronounced	The date when the judgment is uploaded on the website	
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09.12.2025	26.02.2026	--	26.02.2026

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

Judgment reserved on: 09.12.2025

Judgment delivered on: 26.02.2026

CRA No. 820 of 2005

1 - Avinash Pandit, S/o Late Shri Mahabir Pandit, Aged about 62 years, Officer Superintendent, D.R.M.'s Office, Bilaspur, R/o House No. 77/1, New Housing Colony Near Ganesh Mandir, Bilaspur,

Present Address- Kasim Para, District- Bilaspur, Chhattisgarh

--- **Appellant**

versus

1 - Union of India through: Central Bureau of Investigation, Jabalpur.

--- **Respondent(s)**

With

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CRA No. 830 of 2005

1 - Arun Vasant Bapat, S/o Vasant Vinayak Aged About 42 Years Resident of C-6, Parijat Colony Nehru Nagar, Bilaspur (C.G.)

---Appellant

Versus

1 - Union of India, Through C.B.I. Anti Corruption Branch Jabalpur (M.P.)

--- Respondent(s)

For Appellants	:	Mr. D.N. Prajapati and Ms. Sareena Khan, Advocates
For Respondent(s)	:	Mr. B. Gopa Kumar, Advocate

Hon'ble Smt. Justice Rajani Dubey

CAV Judgment

1. Since both the appeals arise out of the same impugned judgment, they are heard together and are being disposed of by this common judgment.
2. The present appeal, filed under Section 374(2) of the Code of Criminal Procedure, 1973, is directed against the judgment of conviction and order of sentence dated 18.10.2005 passed by the learned Special Judge (Central Bureau of Investigation), Raipur, Chhattisgarh, in Special Criminal Case No. 23/2004. By the impugned judgment, the appellants–accused were convicted for the offences punishable under Sections 468 and 471 read with

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Sections 120-B, 420/120-B, 420/120-B, 471 and 477-A read with Section 120-B of the Indian Penal Code and were sentenced to undergo rigorous imprisonment for a period of one year along with a fine of Rs. 200/- for each of the said offences. The appellants were further convicted for the offence punishable under Sections 13(1)(d) read with Section 13(2) of the Prevention of Corruption Act, 1988, read with Section 120-B of the Indian Penal Code, and were sentenced to undergo rigorous imprisonment for a period of one year with a fine of Rs. 200/-. In default of payment of fine, the appellants were directed to undergo further rigorous imprisonment for a period of two years for each offence.

3. According to the prosecution (CBI), during 1994–95 the appellant, in conspiracy with co-accused Avinash Pandit, fraudulently procured sanction and disbursement of an LIC loan of Rs.1,00,000/- in favour of Anju Pandit against a fictitious policy. It is alleged that the appellant fabricated policy documents, forged signatures and falsely showed transfer of the policy from Ambikapur to Bilaspur, thereby cheating LIC. After completion of the investigation, the charge-sheet was filed against the appellants and the learned Trial Court thereafter framed charges against them accordingly, to which appellants abjured their guilt and claimed to be tried.

4. To establish its case, the prosecution examined 19 witnesses. The statements of the accused/appellants were recorded under Section 313 of the Code of Criminal Procedure, wherein they

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denied all the incriminating circumstances appearing against them and claimed innocence as well as false implication. They did not adduce any evidence in their defence.

5. The learned trial Court, upon appreciating the oral and documentary evidence available on record convicted and sentenced the appellants as detailed in para 2 of this judgment. Hence, this appeal.

6. Learned counsel for the appellants submits that the learned Trial Court has gravely erred in law and on facts in convicting the appellants. The findings of guilt are against the weight of evidence and rest on conjectures and surmises. Material facts, including the lack of authority of the Branch Manager to sanction the loan and the handwriting expert's opinion not supporting the prosecution case, were overlooked. The impugned judgment is therefore unsustainable and liable to be set aside.

   Reliance has been placed on the judgment of this Court **dated 23.03.2012** passed in **Criminal Appeal No. 982 of 2004 and other connected appeals** in ***Shivmangal Satnami and another v. State of Chhattisgarh*** as well as the judgment dated **19.08.2025** passed in **CRA No. 294 of 2009** and other connected appeals in ***Umesh Kumar Yadav v. Union of India*****.**

7. Learned counsel for the respondent submits that the learned Trial Court has rightly appreciated the evidence on record and returned findings of guilt based on proved acts and surrounding circumstances. The Trial Court has duly considered all material

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evidence, and no perversity or illegality is shown. The impugned judgment is legal, reasonedand warrants no interference.

Reliance has been placed on the decision of Hon'ble Supreme Court in the matter of **Reena Hazarika Vs. State of Assam** reported in **(2019) 13 SCC 289.**

8. Heard counsel for the parties and perused the material available on record.

9. From the record of the learned Trial Court, it transpires that charges were framed against the accused Arun Vasant Bapat and Avinash Pandit under Sections 468, 471 read with Section 120-B IPC; Section 420 read with Section 120-B IPC; 420 read with 120B of IPC, Section 471 and 477-A read with Section 120-B IPC; and Section 13(1)(d) read with Section 13(2) of the Prevention of Corruption Act, 1988.

10. It was not in dispute before the learned Trial Court that the appellant/accused Arun Vasant Bapat was posted as an Assistant in the Life Insurance Corporation of India, Branch Office, Bilaspur during the year 1994–1995.

11. M. Karketta (P.W.-3), the then Senior Branch Manager of LIC, deposed that the accused Arun Vasant Bapat had been posted as an Assistant at Bilaspur on transfer from Ambikapur. He stated that a policy of Anju Pandit (Ex.P/5) along with a loan application (Ex.P/6), seeking a loan of Rs.1,00,000/-, was placed before him. After making inquiry, he signed the application and admitted his signatures on Ex.P/6 from A to A part and sanctioned a loan of

Rs.1,00,000/- in the name of Anju Pandit. He further stated that pursuant to the said application, a cheque (Ex.P/7) was issued in her favour. According to him, initially no fraud was suspected; however, when a proposal for surrender of the policy of Anju Pandit was received for the second time, suspicion arose. Upon inquiry, it was revealed that the policy (Ex.P/5) had not been transferred from Ambikapur to Bilaspur. Thereafter, a registered letter was sent to Anju Pandit (Ex.P/8).

He further stated that he addressed a letter to the Branch Manager, Punjab National Bank, Budhwari Bazar, Bilaspur seeking information regarding the bank accounts of Anju Pandit (Ex.P/9). He also submitted a report concerning the proceedings to the Senior Divisional Manager, Raipur (Ex.P/11) and admitted his signatures thereon from portion A to A. He deposed that he personally visited the Ambikapur branch and came to know that the policy in question was not in the name of Anju Pandit but stood in the name of some other person.

In cross-examination, he stated that during his inquiry at the Ambikapur Branch he found the policy to be in the name of another person, though he expressed inability to disclose that person's name. He denied the suggestion that he had deliberately sanctioned the loan wrongly.

In para 12, he stated that, "सामान्यतः जो पेपर ट्रांसफर होकर आते हैं उसकी सत्यता की जांच की जाती है परन्तु मेरे पास जो पेपर आये थे वह प्रोपर आर्डर

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में था इसलिए मैंने अलग से सेंक्शान करने के पूर्व सत्यता के संबंध में सत्यापन नहीं किया था।"

He denied this suggestion of defence that, "सी.बी. आई. वालो ने मुझे जाँच के समय रेलवे रिटायरिंग रूम में नहीं बुलाया था किसी को बुलाया गया था या नहीं मैं नहीं बता सकता। मुझसे तो ऑफिस में पूछताछ किये थे। यह कहना गलत है कि मुझे तीन चार दिन तक सी.बी. आई. वालो ने रेलवे रिटायरिंग रूम में बुलाया था मैं नहीं बता सकता कि नितिन लाल, वाशिंग, रायजादा को रेलवे रिटायरिंग रूम में सी.बी. आई. वालो ने बुलाया था कि नहीं। यह कहना गलत है कि बिलासपुर ब्रांच के सारे कागजात लेकर जो पालिसी प्रपोजल में, लोन में लगते है उसे लेकर रेलवे रिटायरिंग रूम में सी.बी. आई. वालो के पास गया था। यह कहना गलत है कि फिर सी.बी. आई. वालो ने सारे कागजात रेलवे रिटायरिंग रूम में दुबारा टाइप करवाए थे और बापट से दस्तखत करवाए थे, यह कहना गलत है कि कि इसी तरह सारे पॉलिसियां जिनके मामले इस न्यायालय में चल रहे है उन्हें बदलकर दुबारा टाइप करवाया गया भरवाया गया और बापट से दस्तखत करवाया गया।"

12. G.R. Wasing (P.W.-4) deposed that he was posted as an Upper Division Clerk and that in such capacity, his duties included verifying the calculation sheet, i.e., the review slip, prepared at the time of granting a loan against a policy or at the time of surrender of a policy.

In para 3, he stated that,"अभियुक्त ए. बी. बापट का सहायक के पद पर यह कार्य था कि कोई पॉलिसी ट्रांसफर होकर आये तो उसका एंट्री करे और रिकॉर्ड मैंटेन करे और इसी प्रकार हमारे कार्यालय से जाने वाली पालिसी का भी उसी तरह ट्रांसफर करता था। "

He further deposed that one Nitin Lal was also posted as an Assistant and that it was his duty to prepare the review slip for the

loan. He stated that Ex.P/6 was the loan application of Anju Pandit and Ex.P/5 was the policy bond, and that, on the basis of Ex.P/5 and Ex.P/6, a loan of Rs.1,00,000/- was sanctioned in the name of Anju Pandit.

In para 12, he stated that,"यह सही है कि पालिसी के चैकिंग के संबंध में हमारे कार्यालय में कई चेक पॉइंट है यह सही है कि कम्प्यूटर फीडिंग भी एक चैक पाइंट है। यह सही है कि ट्रांसफर इन रजिस्टर भी एक चैक पाइंट है जिसमें बाहर से ट्रांसफर में आने वाले पालिसी और इस कार्यालय से ट्रांसफर की जाने वाली पालिसी का उल्लेख रहता है। यह जरुरी नहीं है कि जो पालिसी ट्रांस. होकर आती है उसके साथ जो लेजर का पाना आता है उसमें संबंधित शाखा के ब्रान्च मैनेजर के हस्ता. व सील होती है। यह सही है कि जो लेजर पाना आता है उसमें कब तक का प्रीमियम भुगतान किया है का विवरण दिया रहता है।"

13. Maina Lal (P.W.-6,), deposed that he was acquainted with the accused Avinash Pandit. He stated that the said accused had informed him of his intention to open a bank account in the name of his daughter at Punjab National Bank and requested him to act as an identifier. He further stated that he accompanied Avinash Pandit to the bank for that purpose. The account opening form was marked as Ex.P/19, and he admitted his signatures thereon from portion A to A.

14. Uma Mishra (P.W.-7), deposed that she was posted as an Assistant in the Accounts Section at Bilaspur. She stated that her duty, in that capacity, was to prepare cheques on the basis of vouchers that had been passed. She further stated that cheque

Ex.P/7, for an amount of Rs.1,00,000/- in the name of Anju Pandit, was prepared by her on the basis of the relevant voucher.

15. Nitin Lal (P.W.-8,), deposed that he was posted as an Assistant in LIC. He stated that, as per the policy bond (Ex.P/5), Anju Pandit had submitted a loan application (Ex.P/6) and a loan of Rs.1,00,000/- was sanctioned in her name. He further stated that after about four months, Anju Pandit again submitted an application (Ex.P/16) seeking surrender of Rs.1,00,000/- along with the bond (Ex.P/14).

16. Shankar Singh Rathore (P.W.-9), Manager, LIC, deposed that the loan had been sanctioned in the name of Anju Pandit. He stated that Policy No. 380912912 (Ex.P/5) had not been issued from the Ambikapur Branch in the name of Anju Pandit and that his signatures did not appear anywhere on Ex.P/5. He further stated that the forwarding letter regarding transfer of the policy (Ex.D/7) had not been issued by the Ambikapur Branch and that his signatures were not found on the proposal form (Ex.D/2) or on Ex.D/3, Ex.D/4, Ex.D/5 and Ex.P/20.

In para 8 of his cross-examination, he stated that,"मैं नहीं बता सकता कि मिस अंजू पण्डित एडीशनल जज के नाम से कोई पालसी अंबिकापुर शाखा में दर्ज था या नहीं। मुझसे सी.बी.आई वालों ने अंजू पण्डित एडिशनल जज के संबंध में पूछताछ किया था या नहीं, ध्यान नही है परन्तु जो कुछ मुझसे जानकारी मांगा था उसके संबंध में मैंने प्रपी -23 के द्वारा जानकारी दिया था। महेन्द्र अग्रवाल के नाम पर पॉलिसी क्र. 380912912 महेंद्र कुमार अग्रवाल के नाम पर अंबिकापुर शाखा के

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रजिस्टर में दर्ज था और इसी के आधार पर मैंने जानकारी दिया है। साक्षी ने कहा कि निश्चित रूप से बता सकता हूँ कि पॉलिसी क्र. 380912912 अंबिकापुर शाखा से अंजू पंडित एडिशनल जज के नाम पर जारी नहीं हुआ है। ”

17. Govindram Patel (P.W.-11), deposed that he was posted in the dispatch section. He stated that the entries at page 200 of Article ‘C’, from portion A to A, were in his handwriting and pertained to dispatch by registered post of cheque No. 213298 for an amount of Rs.1,00,000/- in favour of Ms. A. Pandit, relating to Policy No. 380912912. He further stated that accused Arun Vasant Bapat had enquired from him whether the cheque of A. Pandit had been received from the accounts section and told him that A. Pandit was a Judge known to him and requested that the work be expedited.

18. Anju Pandit (P.W.-16), deposed that Avinash Pandit was her father. She stated that she had neither taken any policy from the Life Insurance Corporation nor submitted any application in that regard. She denied her signatures on Ex.P/4 and Ex.P/5. She, however, admitted her signatures on Ex.P/19, being the bank account opening form of Punjab National Bank, and stated that the account had been opened on the advice of her father. She also admitted her signatures on Ex.P/24, Ex.P/25, Ex.P/26, Ex.P/27 and Ex.P/33.

19. H.M. Saxena (P.W.-17), Handwriting Expert, deposed that he examined the disputed signatures and submitted his report (Ex.P/52). In cross-examination, he admitted that the documents

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and handwriting samples had been supplied to him by the CBI for examination and that the specimen writings had not been taken in his presence.

20. The principal allegation of the prosecution is that the accused persons, acting in furtherance of a criminal conspiracy, fabricated and forged insurance policies and misrepresented them as genuine transfer policies, on the basis of which, the accused/appellants dishonestly withdrew and misappropriated the funds.

21. The allegation against accused Arun Vasant Bapat is that, while posted as an Assistant in the Life Insurance Corporation, he, in collusion with co-accused Avinash Pandit, entered into a criminal conspiracy and prepared forged and fictitious insurance policies. It is further alleged that they utilized the policy numbers of lapsed ("dead") policies, in respect of which the policyholders had failed to deposit the requisite instalments, and on that basis fraudulently prepared fixed payment vouchers, pursuant to which payments were dishonestly released.

22. In ***Indrajeet Singh Solanki and other connected matters*** decided in **Criminal Appeal No. 712/2007**, this Court, vide judgment dated 12.12.2025, held in paras 34, 35 and 37 as under:-

> 34.In the matter of **Sheila Sebastian** (supra), the Hon'ble Apex Court has, in paras 26 to 30 of the judgment, held as

under:-

> “26. The definition of "false document" is a part of the definition of "forgery". Both must be read together. "Forgery" and "fraud" are essentially matters of evidence which could be proved as a fact by direct evidence or by inferences drawn from proved facts. In the case in hand, there is no finding recorded by the trial court that the respondents have made any false document or part of the document/record to execute mortgage deed under the guise of that "false document". Hence, neither Respondent 1 nor Respondent 2 can be held as makers of the forged documents. It is the imposter who can be said to have made the false document by committing forgery. In such an event the trial court as well as the appellate court misguided themselves by convicting the accused. Therefore, the High Court has rightly acquitted the accused based on the settled legal position and we find no reason to interfere with the same.
>
> 27. A reasonable doubt has already been thoroughly explained in Latesh v. State of Maharashtra wherein "reasonable doubt" has been enunciated by this Court as (at SCC p. 83, para 46) "a mean between excessive caution and excessive indifference to a

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doubt, further it has been elaborated that reasonable doubt must be a practical one and not an abstract theoretical hypothesis".

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, where 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.

29. This case on hand is a classic example of poor prosecution and shabby investigation which resulted in the acquittal of the accused. The investigating

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officer is expected to be diligent while discharging his duties. He has to be fair, transparent and his only endeavour should be to find out the truth The investigating officer has not even taken bare minimum care to find out the whereabouts of the imposter who executed the PoA. The evidence on record clearly reveals that PoA was not executed by the complainant and the beneficiary is the accused, still the accused could not be convicted. The laches in the lopsided investigation goes to the root of the matter and fatal to the case of prosecution. If this is the coordination between the prosecution and the investigating agency, every criminal case tend to end up in acquittal. In the process, the common man will lose confidence on the criminal justice delivery system, which is not a good symptom. It is the duty of the investigating officer, prosecution as well as the courts to ensure that full and material facts and evidence are brought on record, so that there is no scope for miscarriage of justice.

30. Although we acknowledge the appellant's plight who has suffered due to alleged acts of forgery, but we are not able to appreciate the appellant's contentions as a penal statute cannot be expanded by using implications. Section 464 IPC makes it clear that only the one who makes a false document can be

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held liable under the aforesaid provision. It must be borne in mind that where there exists no ambiguity, there lies no scope for interpretation The contentions of the appellant are contrary to the provision and contrary to the settled law. The prosecution could not succeed to prove the offence of forgery by adducing cogent and reliable evidence. Apart from that, it is not as though the appellant is remediless. She has a common law remedy of instituting a suit challenging the validity and binding nature of the mortgage deed and it is brought to our notice that already the competent civil court has cancelled the mortgage deed and the appellant got back the property."

23. Further in **Jupally Lakshmikantha Reddy** (supra), Hon'ble Supreme Court held in paras 18 to 20 as under:-

"18. We are unable to accept her submission on this score too. There is nothing on record to show the appellant had manufactured the alleged fake document which is a sine qua non to attract Section 465 IPC [punishment for forgery]. In fact, the original fabricated document had not been recovered.

19. In Sheila Sebastian v. R. Jawaharaj [(2018) 7 SCC 581, para 25], this Court held to attract Section 464 IPC [Making a false document], the prosecution must establish that the accused had made the fake document.

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No material connecting the appellant to the making of the fake document has been adduced in the impugned charge sheet.

20. Similarly, offences under Section 468 IPC [forgery for purpose of cheating] and Section 471 IPC are not attracted, as the requisite mens rea, i.e., dishonest intention to cause wrongful loss to the Education Department and wrongful gain to himself has not been demonstrated as the issuance of the recognition was not dependent on the production of the alleged forged NOC."

24. Further in the matter of **Vishal Noble Singh** (supra), the Hon'ble Supreme Court held in paras 17 to 21 and 24 as under:-

17. On a reading of the FIR as well as the charge-sheet, we do not find that the offences aforestated is made out at all. We do not find any criminal breach of trust nor any cheating by impersonation. There is also no cheating and dishonestly inducing delivery of property, nor has any documents referred to any forgery or security or any forgery for the purpose of cheating. There is no reference to any document which has been forged so as to be used as a genuine document and much less is as there any criminal conspiracy which can be imputed

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to the appellants herein in the absence of any offence being made out vis-a-vis the aforesaid Sections.

18. In this regard, our attention was drawn to paras 42-44 and 46 of Inder Mohan Goswami v. State of Uttaranchal, (2007) 12 SCC 1, dealing with Sections 420 and 467 IPC, which are extracted hereunder with regard to Section 420 IPC, it was observed thus:

> "42. On a reading of the aforesaid section, it is manifest that in the definition there are two separate classes of acts which the person deceived may be induced to do. In the first class of acts he may be induced fraudulently or dishonestly to deliver property to any person. The second class of acts is the doing or omitting to do anything which the person deceived would not do or omit to do if he were not so deceived In the first class of cases, the inducing must be fraudulent or dishonest. In the second class of acts, the inducing must be intentional but need not be fraudulent or dishonest. Therefore, it is the intention which is the gist of the offence. To hold a person guilty of cheating it is necessary to show that he had a fraudulent or dishonest intention at the time of making the

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promise From his mere failure to subsequently keep a promise, one cannot presume that he all along had a culpable intention to break the promise from the beginning.

43. We shall now deal with the ingredients of Section 467 IPC.

44. The following ingredients are essential for commission of the offence under Section 467 1PC:

1. the document in question so forged;

2. the accused who forged it;

3. the document is one of the kinds enumerated in the aforementioned section.

* * *

46. The court must ensure that criminal prosecution is not used as an instrument of harassment or for seeking private vendetta or with an ulterior motive to pressurise the accused. On analysis of the aforementioned cases, we are of the opinion that it is neither possible nor desirable to lay down an inflexible rule that would govern the exercise of inherent jurisdiction. Inherent jurisdiction of the High Courts under Section 482 CrPC though wide has to be exercised sparingly, carefully and with caution and only when it is Justified by the tests specifically laid down in the statute itself and in the aforementioned cases. In view of the settled legal position, the Impugned judgment cannot be sustained.

(emphasis

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by us)

19. On a careful consideration of the aforementioned judicial dicta, we find that none of the offences alleged against the Accused-Appellants herein is made out. In fact, we find that the allegations of criminal intent and other allegations against the Accused-Appellants herein have been made with a malafide intent and therefore, the Judgment of this Court in the case of Bhajan Lal and particularly sub-paragraphs 1, 3, 5 and 7 of paragraph 102, extracted above, squarely apply to the facts of these cases. It is neither expedient nor in the interest of justice to permit the present prosecution to continue.

20. This Court, in Madhavrao Jiwajirao Scindia v. Sambhajirao Chandrojirao Angre, (1988) 1 SCC 692, reasoned that the criminal process cannot be utilized for any oblique purpose and held that while Entertaining an application for quashing an FIR at the initial stage, the test to be applied is whether the uncontroverted allegations prima facie establish the offence This Court also concluded that the court should quash those criminal cases where the chances of an ultimate conviction are bleak and no

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useful purpose is likely to be served by continuation of a criminal prosecution. The aforesaid observations squarely apply to this case.

21. We find that in recent years the machinery of criminal justice is being misused by certain persons for their vested interests and for achieving their oblique motives and agenda. Courts have therefore to be vigilant against such tendencies and ensure that acts of omission and commission having an adverse impact on the fabric of our society must be nipped in the bud.

24. We also find that the reliance by the High Court upon the judgment of this Court in Neeharika Infrastructure is not apposite. The facts in the aforementioned case and the present case are quite different. The aforementioned case concerned a special leave petition filed by a complainant aggrieved by an interim order of the Bombay High Court that granted protection to the applicant therein from 'coercive steps'. The grievance of the complainant in that case was that one-and-half-years after securing protection from arrest from the Sessions Court, the accused had filed a Writ Petition before the Bombay High Court to quash the

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> FIR. Accordingly, this Court had quashed the interim order of 'no coercive steps' and cautioned against the practice of directing 'no coercive steps' while dismissing applications under Section 482 of CrPC. This Court had also clarified that it was not expressing any view on merits of the application for quashing of the FIR in the said case. Therefore, the High Court ought not to have relied upon the said judgment to deny the relief to the present Accused-Appellants."

25. Upon careful consideration of the entire evidence available on record, including the testimonies of the prosecution witnesses and the documentary material produced before this Court, it is evident that the prosecution has only been able to establish that at the relevant time, the accused, Arun Vasant Bapat was working as an Assistant in the Life Insurance Corporation (LIC). It is further shown that certain cheques were issued in favour of policyholders in respect of policies shown as transferred. Upon enquiry, it was revealed that several policies were dead policies and were never actually transferred from the Ambikapur Branch to the Bilaspur Branch.

26. M. Karketta (P.W.-3), Senior Manager and G.R. Wasing (P.W.-4), Upper Division Clerk have clearly admitted that their duties included verification of the calculation sheets, i.e., the review slips,

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prepared at the time of granting a loan against a policy or at the time of surrender of a policy. As per the testimony of G.R. Wasing (P.W.-4), the accused Arun Vasant Bapat was posted merely as an Assistant and his duty was limited to maintaining the record of transferred policies.

27. H.M. Saxena (P.W.–17), the handwriting expert, also admitted in his cross-examination that the questioned documents and handwriting samples were supplied to him by the CBI for examination and that the specimen handwriting of the accused had not been obtained in his presence.

28. The prosecution evidence itself shows that the LIC office procedure involved several stages of checking and verification, with multiple safeguards before any policy transaction was completed. In spite of this, the prosecution has only assumed that vouchers were prepared in the names of lapsed or dead policies and, on that basis, has implicated the accused/appellants. However, a careful reading of the testimonies of the prosecution witnesses does not explain as to how the appellants, Arun Vasant Bapat and Avinash Pandit, allegedly entered into any conspiracy or took part in the preparation of forged policies. The LIC officials have admitted the existence of many internal checks, yet no specific, reliable, or admissible evidence has been produced to show that the appellants bypassed those checks or played any role in the alleged forgery. In the absence of clear proof of

conspiracy or any wrongful gain to the appellants, the prosecution has failed to prove the alleged offences beyond reasonable doubt.

29. It is a well settled principle of law that suspicion however strong cannot take place of proof. In the absence of cogent and legally admissible evidence regarding conspiracy and any active role of appellants, the prosecution has failed to establish the foundational facts essential for sustaining charges under Sections 468 and 471 read with Sections 120-B and 420/120-B of the Indian Penal Code; Sections 420/120-B, 471 and 477-A read with Section 120-B of the Indian Penal Code and Sections 13(1)(d) read with Section 13(2) of the Prevention of Corruption Act, 1988, read with Section 120-B of the Indian Penal Code.

30. In view of the foregoing analysis and upon appreciation of the entire evidence on record, this Court finds that the prosecution has failed to prove the charges against the appellants beyond reasonable doubt. The case rests merely on suspicion without any cogent, reliable or legally admissible evidence establishing forgery, conspiracy, or involvement of the appellants.

31. Consequently, the appeals are **allowed.** The impugned judgment of conviction and sentence is set aside and the appellants are hereby acquitted of all the charges levelled against them.

32. Appellants are reported to be on bail and, therefore keeping in view the provisions of Section 437-A of Cr.P.C. (481 of the

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B.N.S.S.), appellants are directed to forthwith furnish a personal bond in terms of Form No. 45 prescribed in the Code of Criminal Procedure of sum of Rs.25,000/- each with one surety in the like amount before the Court concerned which shall be effective for a period of six months along with an undertaking that in the event of filing of Special Leave Petition against the instant judgment or for grant of leave, the aforesaid appellants on receipt of notice thereof shall appear before the Hon'ble Supreme Court.

33. Let a certified copy of this judgment along with the original record be transmitted to the trial Court concerned for information and necessary action if, any.

Sd/-
(Rajani Dubey)
JUDGE

Ruchi