

# **LOAN RACKET BUSTED**

**ECONOMIC OFFENCES WING,**

**DELHI POLICE,**

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## **PRESS RELEASE**

### **LOAN RACKET BUSTED**

EOW has busted a loan racket wherein the accused with connivance of the bank officials of Punjab National Bank had sanctioned a loan to the tune of Rs. 7.5 Crores to open a high end luxurious F Bar & Lounge at Connaught Place, New Delhi. The loan was disbursed on fabricated documents as the collateral offered by the accused against the loan never existed. Further, it was revealed that the account holder had never visited the Mumbai branch of the bank and all formalities of opening of account as well as equitable mortgage of property were facilitated in Delhi by AGM Mr. P.K. Varun in violation of the existing norms and SOP of the bank. False documents and reports regarding the site inspection and the revenue records were prepared to facilitate the loan. The son of P.K. Varun was involved in the operation of F Bar & Lounge and owned 20% of share in the company running F Bar & Lounge.

On 11.09.2018 following an information the accused Amarjeet Singh (age 34 yrs.) was arrested by a raiding team comprising of Insp. Sanjeev Dhodi, SI Praveen, ASI Jaipal and Cont. Vipin under the supervision of Mrs. Varsha Sharma, DCP/EOW. After the arrest and sustained interrogation of the accused Amarjeet Singh the entire conspiracy unraveled and modus operandi was unearthed. Four accused persons Amarjeet Singh, Ajay Kumar Sharma, Suresh and P.K. Varun (AGM/PNB Brady house Branch Mumbai) were subsequently arrested.

### **MODUS OPERANDI**

The modus operandi of the accused persons was to obtain the loan on the basis of forged and fabricated Sale Deeds of the property being offered as collateral security with the banks. An account at PNB Mayur Vihar, Phase 3 Branch was opened on the basis of fake documents in the name of Sarita with the help of the then Bank Manager, Sheetal Garg. The loan obtained of Rs. 49.90 Lacs was withdrawn as cash and the said amount was used for setting up of a temporary factory at Surajpur Noida, so that further loan can be obtained by showing the factory in working condition.

Thereafter, another accused Ajay Kumar Sharma who was the main player for facilitating sanctioning of loan in connivance with accused Amarjeet Singh opened a shell/dummy company in the name of Ply Mouth Ventures Pvt. Ltd. having its office at Mumbai. Suresh was made one of the Directors in this company and they availed Rs. 5 crore cash credit facility in name of the shell Company. This loan amount was further transferred into other accounts and siphoned off. They also obtained Rs. 2 crore OD facility from the same bank which was also transferred into another account and misappropriated.

These amounts were sanctioned against the collateral security of the properties situated at Delhi which were bogus and never existed. Moreover, the account holder did not visit Mumbai and all the formalities of opening of account and equitable mortgage of property was facilitated in Delhi only by AGM Mr. P.K. Varun. The bank officials prepared the false site visit report regarding the property which never existed.

A part of the amount to the tune of Rs. 7 Crores disbursed by PNB Brady House Branch, Mumbai was utilized in the opening of high end luxurious F bar and Lounge Connaught Place New Delhi. After the Nirav Modi incident became known in PNB Brady House, Mumbai the accused Amarjeet Singh left his addresses/whereabouts and switched off his phone as his loan was also connected with this branch. After running for three years the F Bar & Lounge closed, without repaying the loans and other liabilities.

The bank accounts of the accused persons where the loan amount was disbursed and thereafter siphoned off were identified and have been frozen. Investigation is on to unearth the details of the properties and assets acquired by misappropriation of the loan amount. Efforts are on and raids are being conducted to arrest the absconding Branch Manager of Brady House of PNB Mayapuri, Phase III Branch. It was also found that there are several cases have been registered against these persons in Delhi/NCR.

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