IN THE HIGH COURT FOR THE STATES OF PUNJAB AND HARYANA AT CHANDIGARH

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CNR No: PHHC011325552026
2026:PHHC:130194

CRR-1938-2026 (O&M)
Date of decision: 17.09.2026

M/s Sarvodaya Highways Ltd. and others **...Petitioners**

Versus

Central Bureau of Investigation **...Respondent**

CORAM: HON'BLE MRS. JUSTICE MANISHA BATRA

Present:- Mr. Sunil Chadha, Senior Advocate with
Mr. Akshay Chadha, Advocate
for the petitioners.

M. Gagandeep S. Wasu, Advocate
for the respondent-CBI.

MANISHA BATRA, J. *(Oral)*

1. The present revision petition has been filed by the petitioners assailing the order dated 20.07.2026, passed by the Court of learned Special Judge, CBI, Haryana at Panchkula, whereby the application filed by the petitioners seeking their discharge in case bearing FIR No. RC.BD1/2015/E/0002 dated 03.02.2015, registered at Police Station BS&FC, New Delhi, under Section 120-B read with Sections 420, 467, 468 and 471 IPC and Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 *(for short 'PC Act')*, has been dismissed and charges have been framed against them. A prayer for stay of further proceedings before the learned trial Court during the pendency of the present petition has also been made.

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2. Brief facts of the case relevant for the purpose of disposal of this petition are that the aforementioned FIR was registered by the CBI, BS&FC, New Delhi on 03.02.2015 on the basis of a complaint submitted by Girdhari Lal Sehra, Branch Manager, State Bank of Bikaner and Jaipur, Sector-11, Panchkula. As per the prosecution case, M/s Sarvodaya Highways Ltd. *(for short 'Company')*, through its Directors, namely Gurinder Kumar Garg, Aruna Garg, Aashutosh Garg and Aayush Garg (petitioners herein), approached the Bank for sanction and release of credit facilities. It was alleged that the accused persons submitted ten fake work orders valuing about Rs.348.24 crores and, on the basis thereof, a cash credit limit of Rs.20 crores and a bank guarantee limit of Rs.5 crores were sanctioned in December, 2011. It is further the prosecution case that the accused Directors submitted false/fabricated stock statements and receivable statements and thereafter submitted fabricated contract letters/work orders purportedly issued by associate firms/companies and other companies. It is alleged that lien in favour of the Bank was not actually marked in the revenue record in respect of the collateral securities but fake/forged revenue records showing such lien were submitted to the Bank.

3. As per the further allegations, Nishan Lal, the then Branch Manager of the Bank, was responsible for ensuring the end use of the Bank funds and for verification of stocks at the sites but dishonestly failed to perform the duties entrusted to him and permitted withdrawal of the limits without verification. During investigation, it was revealed that the petitioner/accused Company had initially obtained a cash credit limit of Rs.20 crores and a bank guarantee limit of Rs.5 crores. Subsequently, the cash credit limit was enhanced to Rs.50 crores and the bank guarantee limit

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to Rs.5 crores. After completion of the investigation, the final report/charge-sheet was filed by the CBI on 30.11.2016 against the Company through its Directors Gurinder Kumar Garg, Aruna Garg, Aashutosh Garg and Aayush Garg and also against Nishan Lal, the then Branch Manager, for commission of offences punishable under Sections 120-B read with Sections 420, 467, 468 and 471 IPC and Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 and substantive offences thereof.

4. As further discernible from the record, on 26.10.2017, the petitioners filed an application seeking their discharge. During the pendency of the proceedings, the Company entered into a One Time Settlement with the Bank. As per the petitioners, under the settlement, the Company paid Rs.46,68,98,000/- against the amount disbursed, and the Bank confirmed the settlement to the CBI on 27.05.2022. During the pendency of the discharge proceedings, the petitioners approached this Court by filing a petition bearing number ***CRM-M-31272-2018*** seeking quashing of the FIR and the consequential proceedings. This Court, vide order dated 18.07.2022, quashed the FIR and the consequential proceedings. However, the CBI challenged the said order before the Hon'ble Supreme Court. The Hon'ble Supreme Court, vide judgment dated 11.11.2025, set aside the order dated 18.07.2022 and restored the proceedings before the learned trial Court. The operative part of the order dated 18.07.2022 reads as under:

> "23. Having gone through the reasons assigned by the High Court, it is apparent that while quashing the proceedings on the basis of one-time settlement, the High Court failed to advert to the following vital facts of the case which were duly established during investigation.
>
> (i) That there was a specific finding in the

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chargesheet that the defaulter company through its directors had submitted fabricated documents and misrepresented to the Bank for the purpose of procuring the cash credit facility. (ii) That the appellant-CBI, on the basis of evidence collected during investigation, found that the offences of criminal conspiracy, fabrication of documents, and offences under the PC Act, were clearly made out.

(iii) That sanction for prosecution had been duly issued against the then Bank Manager, Mr. Nishan Lal.

(iv) That the amount of settlement under the one time settlement did not cover the actual amount due to the Bank and that there was a deficit of more than 5 crores plus interest which was a direct loss to the public exchequer.

24. The High Court, while exercising jurisdiction under Section 482 CrPC, did not consider these vital facts and quashed the proceedings merely on the 23 basis of the alleged one-time settlement. The blanket order quashing the chargesheet in its entirety would have the effect of terminating the prosecution against the Bank Manager as well, against whom prosecution sanction has been granted.

25. There are plethora of judgments of this Court, some of which we have referred to above, which categorically hold that in cases involving economic offences, it is not merely the Bank that stands defrauded, but the society at large is also impacted.

26. It can be said without a shadow of doubt that the one-time settlement would not fetch the entire amount to which the Bank was otherwise entitled, had the cash credit account been maintained regularly. The settlement was made at around Rs.41 crores whereas, admittedly, the

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liability was of Rs.52 crores approximately. One-time settlements are, as a rule, effected under circumstances where the Bank 24 under duress is compelled to accept lesser amount in order to secure the maximum possible recovery against the defaulting account.

27. In this background, we feel that the High Court committed error apparent in the eyes of law by quashing the proceedings.

28. In the case of Jaswant Singh (supra), the dispute involved was inter se between private parties and the prosecution had been initiated only for the offences punishable under Sections 406 and 420 of the IPC. This Court thought it fit to quash the proceedings considering the fact that the accused and the complainant had settled all their disputes amicably and no useful purpose would be served by allowing the prosecution to continue.

29. In the case of B.B. Aggarwal (supra), this Court upheld the order of the High Court quashing the proceedings against the accused on the ground 25 that the civil suits filed by the Bank against the defaulter companies and their directors for recoveries of the outstanding dues, which were subsequently transferred to Debt Recovery Tribunal stood settled by entering into a one-time settlement.

30. On going through the aforesaid judgments, we find that this Court did not consider the judgment in the case of Gian Singh (supra) which expressly prohibits quashing of proceedings of a criminal case on strength of a compromise where loss to public exchequer is evident and the offences under the PC Act, 1988 are applied.

31. In the Case of Narendra Lal Jain (supra), the offences were under Sections 420 and 120B of the IPC. This Court held that Section 420 IPC was compoundable whereas Section 120B IPC was not. In this background, the Court

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was persuaded to quash the proceedings holding that allowing the 26 criminal prosecution to continue would be nothing short of an exercise in futility. Additionally, in Narendra Lal Jain (supra), there was no indication about use of forged documents to procure the loan/advance facilities from the Bank.

32. Furthermore, in none of these three cases did the Court observe that the amount of the one-time settlement did not cover the actual outstanding dues of the Bank.

33. In this background, we are of the clear opinion that the facts involved in the three precedents relied upon by learned counsel for the respondents are clearly distinguishable and the same have no application to the case at hand.

34. Thus, we are of the opinion that the impugned judgment and order do not stand to scrutiny and deserves to be set aside. We, therefore, allow the appeal, set aside the impugned judgment and order and restore the proceedings arising out of the chargesheet dated 30th November, 2016 before the trial Court.

35. We further make it clear that this order should not be construed as making any observations on the merits of the case which may prejudice the defence of the accused persons before the trial Court which shall proceed with the trial of the case uninfluenced by any of the observations made hereinabove.

36. The appeal is allowed in these terms.

37. Pending application(s), if any, shall stand disposed of."

5. After restoration of the proceedings, the learned trial Court heard the application for discharge as well as the matter regarding framing of charge. Vide impugned order dated 20.07.2026, the learned trial Court dismissed the discharge application and held that the material collected

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during investigation, if accepted at its face value, raised sufficient grounds for presuming that the accused petitioners had entered into a criminal conspiracy, dishonestly induced the Bank to sanction and enhance credit facilities on the basis of forged documents and thereafter diverted the loan proceeds contrary to the terms of sanction. Accordingly, charges as mentioned above were framed against the petitioners. Aggrieved thereof, the petitioners have approached this Court by way of filing the present revision petition.

6. It is argued by learned Senior Counsel for the petitioners that the impugned order is not sustainable in the eyes of law as while passing the same, the learned trial Court has proceeded on assumptions and has treated the allegations in the charge-sheet as proved, whereas at the stage of discharge the Court is required to examine the entire material on record and determine whether the ingredients of the alleged offences are prima facie made out. Learned Senior Counsel has further argued that the Company is the principal accused and the remaining petitioners are its Directors. Once the Company has been made an accused, the Directors cannot be separately proceeded against for the offences alleged unless there is specific material showing their individual role in the commission of the offences. It is argued that the prosecution has failed to bring such material against petitioners No.3 to 5 and their implication is essentially on account of their relationship with the Company.

7. Learned Senior Counsel has further argued that the basic allegation against the petitioners is that the Bank sanctioned the credit facilities on the basis of forged work orders. This allegation is contrary to the sanction letters dated 23.12.2011 and 27.07.2012, which do not refer to

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any work orders as the basis for sanction or enhancement of the credit facilities. The initial facility was sanctioned after appraisal of the financial position of the Company and after taking adequate securities and guarantees. It is further submitted that the work orders relied upon by the prosecution were not final contracts but were merely proposals showing the work which the Company proposed to undertake in future. Therefore, merely because some of the proposed work was not ultimately executed, it cannot be inferred that the documents were forged or that they were used for obtaining the credit facility.

8. Learned Senior Counsel has next argued that the prosecution relies upon photocopies of the alleged work orders, as the originals were never recovered during investigation. Mere denial of issuance of the work orders by officials of M/s JBB Everest Buildtech Pvt. Ltd. and M/s PG Electroplast Ltd. does not establish that the petitioners fabricated them. It is further argued that the charge-sheet does not identify any petitioner as the person who prepared or forged the documents or disclose the manner of their preparation.

9. It is further argued that eight of the work orders were issued by group/associate companies and their relationship with the petitioners' Company was reflected in the MCA/ROC records. The mere fact that the work orders originated from group companies could not make them forged. He also referred to the collateral securities furnished by M/s Girisa Towers Ltd. and M/s JMR Infrastructure Ltd. and argued that the substantial collateral security and personal guarantees accepted by the Bank were inconsistent with any intention to cheat the Bank from the inception. He further argued that the Bank's spot inspection reports showed execution of

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work at the sites and, therefore, did not support the allegation of diversion of the entire credit facility. A reference has been made to the CFSL report dated 31.05.2017 to argue that it dealt only with disputed signatures appearing on certain account-opening forms and did not establish diversion of Bank funds or forgery of the work orders. Even if the signatures of petitioner No.2, Gurinder Kumar Garg, were found on such forms, the same would not establish that the petitioners had diverted the Bank funds or fabricated documents for obtaining the credit facility.

10. Learned Senior Counsel has then referred to the One Time Settlement entered into between the Bank and the Company and argued that approximately Rs.41 crores were accepted by the Bank in full and final settlement. The amount paid was higher than the amount actually disbursed and, therefore, no wrongful loss survived to the Bank and, therefore, continuation of the criminal proceedings would serve no useful purpose. Learned Senior Counsel further submitted that the Hon'ble Supreme Court, while restoring the proceedings, had clarified that its observations would not prejudice the defence of the petitioners at trial and, therefore, the said judgment could not be treated as a finding that the offences stood established against them.

11. Learned Senior Counsel has challenged the applicability of Section 13(1)(d) read with Section 13(2) of the PC Act and argued that there was no allegation of demand or acceptance of illegal gratification by the then Branch Manager. The material at best suggested procedural lapses or negligence and did not disclose dishonest abuse of official position. He further argued that the credit proposals were processed by the Credit Processing Cell and the Head Office and the final sanction was granted by

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the competent authorities at the Head Office. Therefore, the Branch Manager could not independently sanction the facility and there was no material showing his conspiracy with the petitioners. It is also argued that he had merely forwarded the proposals in discharge of his official duties and there was no allegation of any payment or other consideration to him. Learned Senior counsel has relied upon ***State through Central Bureau of Investigation v. Dr. Anup Kumar Srivastava, (2017) 15 SCC 560*** to contend that the proof of 'demand' is a sine qua non for prosecution of offences under the PC Act, which is totally absent in this case. It is also submitted that at the stage of framing of charge, where the material on record does not disclose the ingredients of the alleged offences, the accused is entitled to discharge. It is lastly submitted that the FIR in question was registered in the year 2015 and the petitioners have faced proceedings for a considerable period. With these broad submissions, it is urged that the revision petition deserves to be accepted and the impugned order is liable to be set aside, thereby discharging the petitioners from the case.

12. Reply has been filed by the respondent-CBI. On the strength of the same, learned Special Public Prosecutor for CBI has argued that there is no infirmity or illegality in the impugned order and the learned trial Court has rightly dismissed the discharge application after considering the charge-sheet, the documents collected during investigation and the submissions of the parties. At the stage of framing of charge, the Court is not required to conduct a detailed appreciation of evidence or a mini trial. It is further argued that the investigation disclosed that the petitioners had submitted ten work orders valuing about Rs.348.24 crores for obtaining the credit facilities. Three work orders, valuing approximately Rs.72.38 crores,

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purportedly issued by M/s JBB Everest Buildtech Pvt. Ltd. and M/s PG Electroplast Ltd., were denied by the concerned companies. It is further argued that seven other work orders, valuing approximately Rs.275.46 crores, were purportedly issued by associate/group companies and that the investigation disclosed common directorships, concealment of the relationship with the borrower and other circumstances which showed that the documents were fabricated and used for obtaining the credit facilities.

13. Learned counsel for the respondent-CBI has further argued that non-mention of the work orders in the sanction letters does not mean that they were not part of the loan appraisal as the loan applications were accompanied by the relevant documents. He submitted that the allegation of forgery is supported by the statements of the concerned companies, which denied issuance of the disputed work orders and the CFSL report dated 31.05.2017, which attributed the disputed signatures to the accused. Non-recovery of the originals is not a ground for discharge, as the photocopies formed part of the Bank record and their evidentiary value can be examined at trial. The collateral securities do not absolve the petitioners as the prosecution case concerns obtaining credit through fabricated documents and subsequent diversion of funds. The availability of the group/associate companies on the MCA/ROC portal does not negate the allegation that their relationship with M/s Sarvodaya Highways Ltd. was concealed from the Bank while submitting the work orders. On diversion of funds, he relied upon the inspection reports, Bank records, fund-flow analysis and CFSL material and argued that negligible construction was found at the relevant sites despite release of funds and that the enhanced credit facilities were routed through various accounts and entities, including M/s S.P. Singla

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Construction Pvt. Ltd. The disputed account-opening forms and cheques formed part of the alleged diversion mechanism and that the CFSL report dated 31.05.2017 found the signatures on the disputed account-opening forms to match those of petitioner No.2.

14. So far as the OTS is concerned, learned counsel for the respondent-CBI has argued that settlement of the Bank's dues did not extinguish criminal liability arising from fraud, forgery, conspiracy and diversion of funds. He further submitted that this issue had already been considered in the earlier proceedings and the order of this Court quashing the FIR on that basis had been set aside by the Hon'ble Supreme Court. The same plea cannot be re-agitated in the present revision. It is also submitted that the prosecution case was not based upon payment of illegal gratification but upon abuse of official position and conspiracy. Co-accused Nishan Lal, while functioning as Branch Manager, facilitated sanction and release of the credit facilities. He failed to verify the work orders and compliance with sanction conditions and permitted withdrawal of funds without the required verification. Specific roles had been attributed to the petitioners Gurinder Kumar Garg and Aashutosh Garg in relation to the work orders and transactions through associate companies and Aruna Garg and Aayush Garg as Directors/guarantors who executed the loan documents and participated in obtaining the credit facilities. It is argued that where the material raises a strong or grave suspicion regarding commission of the offences, the accused must face trial and the Court is not required to assess the ultimate probability of conviction. Since the proceedings had already been restored by the Hon'ble Supreme Court and the FIR dates back to 2015, the present revision and prayer for stay would further delay the trial. With these submissions, it

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is urged that the petition deserves outright dismissal.

15. This Court has heard the arguments addressed by learned counsel for the rival parties, besides going through the material placed on record.

16. The issue before this Court, at this stage, is limited. The petitioners seek interference with the order dated 20.07.2026, whereby their application for discharge was dismissed and charges were framed under the aforementioned provisions of IPC as well as PC Act. The question, therefore, is whether, on the material collected during investigation, the impugned order suffers from such patent illegality, perversity or error of law, which would warrant interference by this Court in revisional jurisdiction. Before examining the said question, it is necessary to notice the earlier proceedings. The petitioners had earlier approached this Court by filing a petition bearing number ***CRM-M-31272-2018*** seeking quashing of the FIR and consequential proceedings, primarily on the basis of the One Time Settlement with the Bank. This Court, vide order dated 18.07.2022, quashed the FIR and consequential proceedings. The said order was challenged by the respondent-CBI before the Hon'ble Supreme Court. Vide judgment dated 11.11.2025, the Hon'ble Supreme Court set aside the order of this Court and restored the proceedings arising out of the charge-sheet dated 30.11.2016 before the learned trial Court. At the same time, the Hon'ble Supreme Court clarified that its observations would not prejudice the defence of the accused and that the learned trial Court would proceed uninfluenced by the observations made therein. Thus, the merits of the defence are still open to the petitioners at the trial.

17. After restoration of the proceedings, the learned trial Court

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considered the discharge application and the material collected during investigation and, vide impugned order dated 20.07.2026, dismissed the application and proceeded to frame charges. The petitioners have now approached this Court seeking setting aside of the said order. Therefore, the question which arises for consideration by this Court is whether the impugned order framing charges calls for interference in exercise of revisional jurisdiction. The law relating to interference at the stage of framing of charge is well settled. In ***Manendra Prasad Tiwari v. Amit Kumar Tiwari, (2022) 20 SCC 757***, the Hon'ble Supreme Court has held that although the High Court can quash a charge in exercise of revisional jurisdiction, it cannot do so by weighing the correctness or sufficiency of the prosecution evidence. The Court is required to see whether, if the prosecution material is taken at its face value, it discloses the commission of an offence. At the stage of charge, the Court is concerned with the existence of strong suspicion and not with proof of guilt. The Hon'ble Supreme Court has further held that revisional jurisdiction is meant to correct a patent defect, error of jurisdiction or law or perversity in the proceedings. While examining a challenge to a charge, the High Court is not required to conduct a meticulous examination of the evidence or determine whether the prosecution would ultimately result in conviction. Interference is warranted only where the allegations are patently absurd or inherently improbable, or where the basic ingredients of the alleged offence are not disclosed from the material on record. Reference can also be made to ***Chitresh Kumar Chopra v. State (Government of NCT of Delhi), (2009) 16 SCC 605***, wherein the Hon’ble Supreme Court has observed that it is trite that at the stage of framing of charge, the Court is required to evaluate the material and

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documents on record with a view to finding out if the facts emerging therefrom, taken at their face value, disclose the existence of all the ingredients constituting the alleged offence or offences. For this limited purpose, the Court may sift the evidence as it cannot be expected even at the initial stage to accept as gospel truth all that the prosecution states. At this stage, the court has to consider the material only with a view to find out if there is ground for "presuming" that the accused has committed an offence and not for the purpose of arriving at the conclusion that it is not likely to lead to a conviction. Similar observations were made by the Hon'ble Supreme Court in ***Niranjan Singh Karam Singh Punjabi & Ors. v. Jitendra Bhimraj Bijja & Ors, (1990) 4 SCC 76***.

18. Reliance can also be placed upon ***State of Maharashtra v. Som Nath Thapa, (1996) 4 SCC 659***, where a three-Judge Bench of the Hon'ble Supreme Court explained the meaning of the word "presume". Referring to the dictionary meanings of the said word, it was observed that if on the basis of materials on record, a Court could come to the conclusion that commission of the offence is a probable consequence, a case for framing of charge exists. To put it differently, if the Court were to think that the accused might have committed the offence it can frame the charge, though for conviction the conclusion is required to be that the accused has commuted the offence. It is apparent that at the stage of framing of charge, probative value of the materials on record cannot be gone into and the materials brought on record by the prosecution has to be accepted as true at that stage.

19. Reliance can also be placed upon ***Amit Kapoor v. Ramesh Chander, (2012) 9 SCC 460***, wherein the Hon'ble Supreme Court held as

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under:

> "Section 397 of the Code vests the Court with the power to call for and examine the records of an inferior court for the purposes of satisfying itself as to the legality and regularity of any proceedings or order made in a case. The object of this provision is to set right a patent defect or an error of jurisdiction or law. There has to be a well-founded error and it may not be appropriate for the court to scrutinize the orders, which upon the face of it bears a token of careful consideration and appear to be in accordance with law. If one looks into the various judgements of this Court, it emerges that the revisional jurisdiction can be invoked where the decisions under challenge are grossly erroneous, there is no compliance with the provisions of law, the finding recorded is based on no evidence, material evidence is ignored or judicial discretion is exercised arbitrarily or perversely. These are not exhaustive classes, but are merely indicative. Each case would have to be determined on its own merits.
>
> 13. Another well-accepted norm is that the revisional jurisdiction of the higher court is a very limited one and cannot be exercised in a routine manner. One of the inbuilt restrictions is that it should not be against an interim or interlocutory order. The Court has to keep in mind that the exercise of revisional jurisdiction itself should not lead to injustice ex facie. Where the Court is dealing with the question as to whether the charge has been framed properly and in accordance with law in a given case, it may be reluctant to interfere in exercise of its revisional jurisdiction unless the case substantially falls within the categories afore stated. Even framing of charge is a much advanced stage in the proceedings under the CrPC."

20. Applying the above principles to the present case, this Court

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finds that the learned trial Court has not proceeded on the basis of mere allegations. The charge-sheet and the material collected during investigation disclose that ten work orders, valuing about Rs.348.24 crores, were submitted in connection with the credit facilities. Three of the work orders, according to the investigation, were denied by the concerned companies, while the remaining work orders were allegedly issued by associate/group companies and the investigation disclosed common directorships and alleged concealment of their relationship with the borrower. The prosecution has also relied upon the alleged false stock and receivable statements, the alleged forged lien documents relating to the collateral properties, Bank records, inspection material, fund-flow analysis and the CFSL report.

21. The plea that the sanction letters do not specifically refer to the work orders cannot, at this stage, by itself displace the prosecution case. Likewise, the questions whether the work orders were only proposals, whether the originals were required to be recovered, whether the photocopies can ultimately be proved in accordance with law and whether the denial by the concerned companies conclusively establishes fabrication are matters which require appreciation of evidence. The same cannot be finally determined in favour of the accused at the stage of charge. Similarly, the plea regarding the collateral securities, personal guarantees and the Bank's spot inspection reports does not make the prosecution case inherently improbable. The prosecution alleges not merely failure to repay the Bank's dues but procurement of credit facilities through false or fabricated documents and subsequent diversion of the funds. Whether the material relied upon by the CBI ultimately establishes these allegations is a matter for trial. At this stage, the Court is only required to see whether the material

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raises the requisite strong suspicion. The same principle applies to the CFSL report, account-opening forms and the alleged routing of funds through different entities. The petitioners seek to examine the evidentiary value and connection between these documents and the alleged diversion. Such an exercise would amount to a mini trial. The material relied upon by the prosecution, taken at its face value, cannot be discarded merely because another interpretation is possible. The individual roles attributed to the petitioners are also matters to be examined on the basis of evidence during trial.

22. So far as the plea regarding the One Time Settlement is concerned, it also does not assist the petitioners at this stage. This issue had already formed the basis of the earlier order of this Court quashing the proceedings, which order was set aside by the Hon'ble Supreme Court. The Supreme Court specifically noticed the allegations of fabricated documents, criminal conspiracy, offences under the Prevention of Corruption Act and the difference between the amount due and the amount accepted under the settlement while restoring the prosecution. At the same time, it expressly left the merits of the defence open. Therefore, the petitioners can certainly raise the effect of the settlement during trial but the settlement, by itself, cannot be treated as a ground to discharge them in the present proceedings.

23. As regards the offence under Section 13(2) read with Section 13(1)(d) of the PC Act, learned Senior Counsel has argued that there is no allegation of demand or acceptance of any illegal gratification and that the credit proposals were processed by the Credit Processing Cell and the Head Office, with the final sanction having been accorded by the competent authorities. The prosecution, however, relies upon the role attributed to the

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accused persons in the processing and obtaining of the credit facilities and the circumstances surrounding the alleged use of false and fabricated documents and diversion of the loan proceeds. At this stage, it would not be appropriate to examine the defence version or to finally determine whether the material collected during investigation would ultimately establish the ingredients of the offence under the Prevention of Corruption Act. The same would be a matter for determination by the learned trial Court on the basis of evidence.

24. The reliance placed by learned Senior Counsel on ***State through Central Bureau of Investigation's case (supra)*** does not alter the above position. The principle that the Court must apply its mind to the material on record at the stage of charge is well settled. However, that exercise does not require the Court to finally determine the reliability, admissibility or sufficiency of the evidence for conviction. In the present case, the learned trial Court has considered the material collected during investigation and has recorded reasons for forming an opinion that the same gives rise to sufficient grounds for presuming commission of the offences. This Court is, therefore, unable to hold that the allegations against the petitioners are patently absurd or inherently improbable or that the basic ingredients of the offences are wholly absent. The objections raised by the petitioners essentially seek an assessment of the evidentiary value of the prosecution material and acceptance of their defence at the threshold. Such an exercise is not permissible in the present revisional proceedings. As held in the abovecited authorities, once there is material giving rise to a strong suspicion of commission of the offence, the final test of guilt cannot be applied at the stage of framing of charge.

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25. In view of the above discussion, this Court finds no patent illegality, perversity or jurisdictional error in the impugned order dated 20.07.2026. The learned trial Court has rightly declined to discharge the petitioners and has proceeded to frame charges on the basis of the material available on record. The present petition, therefore, does not call for interference. Consequently, the revision petition is dismissed. The impugned order dated 20.07.2026 passed by the learned Special Judge, CBI, Haryana at Panchkula is upheld.

26. The learned trial Court shall proceed with the trial in accordance with law, uninfluenced by any observation made in this order. The prayer for stay of further proceedings also stands dismissed.

27. Pending application(s), if any, shall stand disposed of.

17.09.2026 **(MANISHA BATRA)**
Waseem R. Ansari **JUDGE**

Whether speaking/reasoned *Yes/No*

Whether reportable *Yes/No*

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