

## FIRST INFORMATION REPORT

(Under Section 154 Cr.P.C.)

1. District: Delhi PS: AC-VI Delhi  
Year: 2023  
FIR No: RC2242023A0001 Date: 10/02/2023

2. **Acts & Sections:**

Acts	Sections	R/W Section
IPC	120-B	
IPC	420	
IPC	468	
IPC	471	
PC Act-1988 (As amended in 2018)	13(2) r/w 13(1)(d)	

3. **Suspected offences:** Criminal Conspiracy,Forgery,Cheating,Criminal Misconduct,Using Forged Documents as Genuine(Other)

(a) **Occurrence of offence:**

Day: **Time Period:**  
From Date: 01/05/2008 To Date: 30/09/2014

(b) **Information Received at PS:**

Date: 17/02/2022

(c) **General Diary Reference:**

Entry No.: 04  
Date: 10/02/2023 Time: 14:12:07

4. **Type of Information:** Written

5. **Place of Occurrence:** Maharashtra and other places in India

(a) **Direction & distance from PS:**

Beat No.:

(b) **Address:**

Plot No.: Area:  
City: Pin:  
State: District:

(c) **In case, outside the limit of this Police Station, then**

Name of PS: District:

6. **Complainant / Informant:**

Complainant 1

(a) Name: Mr. P C Khurana

(b) Father's/Husband's Name: Om Prakash Khurana

(c) Date/Year of Birth:

(d) Nationality: INDIAN

(e) Passport:

Passport No.	Date Of Issue	Place Of Issue
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(f) Occupation: Deputy General Manager

(g) Address:

Plot No	Area	City	State	District	Pin
Central Bank of India	Stressed Asset Management Branch 2, Ground Floor, Chandermukhi Building, Nariman Point	Mumbai	Maharashtra	Mumbai City	400021

7. **Details of known/suspected/unknown accused with full particulars:**

**Accused 1**

**Name:** Mr.Rakesh Kumar Kuldeep Singh Wadhawan(1), **Father/Husband name:** Kuldeep Singh Wadhawan

**Address:**

Wadhawan House, Plot No. 32-A Union Park Road, Bandra West, Mumbai, Mumbai City, Maharashtra, 400050

**Accused 2**

**Name:** Mr.Sarang Rakesh Kumar Wadhawan(2), **Father/Husband name:** Rakesh Kumar Wadhawan

**Address:**

Wadhawan House, Plot No. 32-A, Union Park Road, Bandra (West), Mumbai, Mumbai City, Maharashtra, 400050

**Accused 3**

**Name:** Housing Development & Infrastructure Limited(3)

**Address:**

901, HDIL Towers, Anant Kanekar Marg, Bandra East, Mumbai, Mumbai City, Maharashtra, 400051

**Accused 4**

**Name:** Unknown Public Servant(s)

**Address:****Accused 5**

**Name:** Unknown Private Person(s)

**Address:****8. Reasons for delay in reporting by the complainant/informant:**

No delay

**9. Particulars of properties stolen:**

Item Name	Age of Property	Estimated Value (in INR)
Misappropriation and cheating of loans/facilities	76.00	575800000.00

**10. Total value of property stolen:** 575800000.0000**11. Inquest Report/U.D. Case No., if any:****12. First information contents:**

A complaint dated 17.02.2022 has been lodged by Sh. P. C. Khurana, Deputy General Manager, Central Bank of India, Stressed Asset Management Branch-2, Ground Floor, Chandermukhi Building, Nariman Point Mumbai-400021 alleging therein that M/s Housing Development and Infrastructure Limited (hereinafter HDIL), Sh. Rakesh Kumar Kuldeep Singh Wadhawan, Sh. Sarang Rakesh Kumar Wadhawan entered into a criminal conspiracy with other entities/persons and unknown public servants to cheat the Central Bank of India and in pursuance of the same the said accused persons induced the Bank to sanction loans of Rs. 346.62 crores and siphoned off & misappropriated a significant portion of the loan amount and thereby caused a wrongful loss of Rs. 57.58 crores to the bank. The original complaint dated 17.02.2022 is attached herewith as Annexure-A.

The aforesaid facts disclosed commission of cognizable offences punishable u/s 120-B r/w 420, 468 & 471 of IPC and Section 13 (2) r/w 13 (1) (d) of PC Act, 1988 against Sh. Rakesh Kumar Kuldeep Singh Wadhawan (A-1), Sh. Sarang Rakesh Kumar Wadhawan (A-2), M/s HDIL (A-3) & other unknown persons including public servants of Central Bank of India. A Regular Case is, therefore, registered and entrusted to Sh. Sunil Gulia, Inspector of Police, CBI, AC-VI (SIT), New Delhi for thorough investigation.

**13. Action taken : Since the above information reveals commission of offence(s) u/s as mentioned at Item No.2:**

(1) Registered the case and took up the investigation: Yes

OR

(2) Directed

<b>Name of IO:</b>	Sunil Gulia
<b>Rank:</b>	INSPECTOR (AC-VI Delhi)
<b>No:</b>	150991

**to take the investigation**

OR

(3) Refused investigation due to:

OR

(4) Transferred To PS: District:  
on point of jurisdiction.

**Attached documents:**

Document name

Complaint of Central bank of India dated 17 Feb 2022

FIR read over to the complainant/informant, admitted to be correctly recorded and a copy given to the complainant / informant, free of cost.

R.O.A.C.

14. Signature/Thumb Impression of the complainant/informant

Signature of Officer  
in-charge Police Station

Name: Parvinder Singh

Rank: SUPDT. OF POLICE (AC-VI Delhi)

15. Date and time of dispatch to the Court:

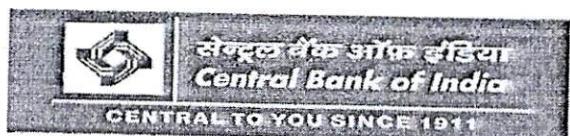
PARVINDER SINGH, IPS  
S.P, CBI, AC-VI/SIT, ND

Digitally signed by PARVINDER SINGH

Date: 2023.02.10 14:45:09 IST

Reason:

Location:



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## **STRESSED ASSET MANAGEMENT BRANCH**

NCL Building Complex, 2<sup>nd</sup> Floor, Plot No 6, 'E' Block,  
BandraKurla Complex, Bandra (East), Mumbai – 400051.  
E-mail: [sambmumbai2@centralbank.co.in](mailto:sambmumbai2@centralbank.co.in)

To,  
The Head of the Branch  
CBI, EOB , Mumbai  
11<sup>th</sup> & 12<sup>th</sup> Floor, Plot no. C-35A  
'G' Block, Bandra Kurla Complex (BKC)  
Near MTNL Exchange,  
Bandra (East), Mumbai-400098

Date: 17.02.2022

CBI EOB MUMBAI	
HOB	
SP	
PA	
CA	
CR	
Estt.	
A/C	

17 FEB 2022

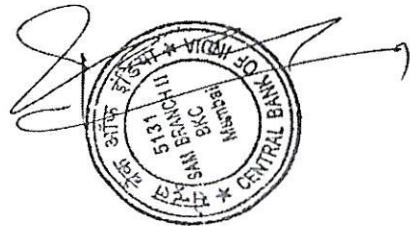


Sir,

**Sub:** Request for Registering Regular Case (RC) against Housing Development & Infrastructure Limited (HDIL) and its Directors-cum-Guarantors named in this complaint for having committed various offences including offence of having cheated bank to the tune of Rs 57.58 crores ( Rupees Fifty seven crores and Fifty eight lacs).

I, the undersigned, P. C Khurana, S/o Om Parakash Khurana presently working as Deputy General Manager, Central Bank of India (hereinafter mentioned as "The Bank"), Stressed Assets Management Branch 2 (SAM2-BKC), situated at Ground Floor, Chandermukhi Building, Nariman Point, Mumbai 400021, am authorized by our Bank and am competent to lodge a complaint with your office for investigation and registering First Information Report (FIR) against the accused mentioned in the subject matter above. I submit the complaint hereunder.

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**1. Name and address of the Accused Persons :**

- a) HDIL was initially incorporated as Housing Development and Improvement Private Limited on 25.07.1996 and subsequently changed to Public Limited Company in 2005. There after its name was changed to Housing Development and Infrastructure Limited. (here after referred to as "HDIL").
- b) Housing Development and Infrastructure Limited, PAN: AAACH5443F, CIN: L70100MH1996PLC101379, Regn No. 101379 registered with ROC – Mumbai was incorporated on 25.07.1996 having registered address at 9-01, HDIL Towers, Anant Kanekar Marg, Bandra East, Mumbai. 400051.
- c) HDIL is engaged in the business of real estate and slum rehabilitation.
- d) The following were the Promoters / Directors and Guarantors of HDIL (hereinafter called "the borrower or the company or the borrower company") who were running the day to day affairs of the company and were taking all the decisions of the company :

S.No	Name and address	DIN	PAN
1	Rakeshkumar Kuldeep Singh Wadhawan Residential Address :- Wadhawan House, Plot No.32-A, Union Park Road, Bandra (West), Mumbai – 400 050. Also having Address at: HC Infracity, A/20, Kailash Colony, New Delhi-110048.	28573	AAEPW7565G
2	Sarang Rakeshkumar Wadhawan Residential Address :- Wadhawan House, Plot No.32-A, Union Park Road, Bandra (West), Mumbai – 400 050 Also having Address at: HC Infracity, A/20, Kailash Colony, New Delhi-110048.	28608	AAAPW2530R

**2. Brief Facts of the Credit Facilities sanctioned to the company and the developments:**

(CSG)

- a. The Borrower company approached Central Bank of India (hereinafter called "our Bank") vide application dated 28/02/2008 Through General Manager duly authorised by the company vide resolution dated 12/05/2008 for sanction of Term Loan of Rs 300.00 Crores (Rupees Three Hundred Crores only).
- b. HDIL was sanctioned term loan (TL – 1) of Rs.300.00 crores on 08.05.2008. The loan was to be repaid in 6 monthly installments by June 2010. Thereafter, HDIL vide their letter dated 18.05.2009 requested the bank to re-structure loan account and to extend the repayment period to 12 bi-monthly installments starting from June 2011 to April 2013 which was approved by Bank on 25.05.2009.

However HDIL defaulted in repayment and the account turned NPA on 01.07.2012. At the request of HDIL, the account was again restructured on 28.12.2013 and sanctioned as under:

- i. Reviewed and re-scheduled the existing term loan of Rs.173.87 crores including the overdue interest payable in 40 monthly ballooning installments commencing from December 2013.
- ii. Sanctioned term loan of Rs.17.87 crores under lease rental discounting against rental receivable from DHL Express India Ltd. against separate collateral security valuing into Rs.51.78 crores which is repayable in 33 monthly installments. The said loan was disbursed and credited to the above re-structured loan account with the Bank. However, this loan has been paid in full and the account stand closed on 31.10.2015.
- c. Bank also sanctioned a Pooled Municipal Debt Obligation (PMDO) facility (TL – 2) of Rs.28.75 Crores in favour of HDIL on 19.09.2014 being 7.27% of the total funding to HDIL for Area Development Common / Civic Infrastructure in Slum Rehabilitation Project – improvement of living standards.
- d. The facilities were secured by :



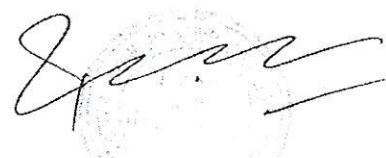
Primary Security :

TL – 1 is secured by:

- i. Registered Mortgage of Vacant Land (FIAP India Plant), admeasuring about 10 acres out of all that piece and parcel of land and hereditament and premises totally admeasuring 213967.30 sq.mtrs. bearing Plot No.17(part) of sub-urban scheme No.1, CTS No.637(part), 637/44 to 46, 637/49 (part), 637/53 (part), 637/54 to 56, 637/58 (part), 637/59 to 77, 637/78 (part) 637/87 to 121 situated lying and being at village Premier Road, Lal Bahadur Shashtri Marg, Kurla in Greater Mumbai, Village Kurla-II, Taluka Kurla (West), Mumbai – 400 070 owned by HDIL; The above immovable property is exclusively mortgaged to the Bank
- ii. All that piece and parcel of portion of 2<sup>nd</sup> floor premises admeasuring 31384 sq. ft. (carpet area) equivalent to 2915.68 sq.mtrs. comprising of six multiplex in commercial building no.2, Dreams Mall, constructed on all that piece and parcel of land admeasuring about 127606.70 sq. mtrs. bearing CTS No.642, 642/1 to 642/29 and CTS No.654 of Village Kanjur and CTS No.646 of Village Bhandup, lying and situate at village Kanjur and Bhandup, Taluka Kurla, Mumbai Suburban District, in the Registration District and Sub-District of Mumbai City and Mumbai Suburban owned by HDIL. The above immovable property is exclusively mortgaged to the Bank
- iii. Various movables and tangible assets including the lease rentals, monies receivables, book debts and other assets relating to the projects financed by Bank and belonging to HDIL. The above movable assets are exclusively assigned and charged to the Bank.

TL – 2 is secured by:

- iv. First Pari Passu charge over the immovable properties, located at Taluka Vasai/Virar, Village Doliv and Kharadi 76 acres. Property at Dahisar



(57)

admeasuring 23.5 acres and Kasarali admeasuring 3 acres owned by M/s.

Privilege Power Infrastructure Pvt. Ltd. (*being 100% subsidiary of HDIL*).

This security was mortgaged to secure PMDO facility granted by Complainant on first pari passu charge basis alongwith other secured creditors.

- v. Properties held by HDIL in village Sasunavghar situated in Vasai, Taluka Thane admeasuring 30.11 acres. Aggregate properties admeasuring 132.5 acres and other such lands/plots alongwith development rights. This security was mortgaged to secure PMDO facility granted by Bank on first pari passu charge basis alongwith other secured creditors.

e. Personal Guarantee :

Name	Worth (Rs. in crore)	As on
Rakeshkumar Kuldeep Singh Wadhawan (details as per 1.d.1 above)	103.26	31.03.2016
Sarang Rakeshkumar Wadhawan (details as per 1.d.2 above)	85.24	31.03.2016

- f. Documents were executed on 04.06.2008 by the borrower HDIL, personal guarantors Mr. Rakeshkumar Kuldeep Singh Wadhawan and Mr. Sarang Rakeshkumar Wadhawan. Debt Restructuring Agreement was executed on 30.06.2009 and again on 28.03.2014 at the time of second restructuring of account.

- g. The charge on the properties listed out at serial no.2.d.(i) to 2.d.(iii) is duly registered with the Registrar of Companies under Section 125 of the Companies Act, 1956 exclusively in favour of the Bank in respect of Term Loan Facility. As far as properties listed out at serial no.2.d. (iv) and 2.d.(v) are concerned, the charge is registered with the Registrar of Companies under Section 125 of the

Companies Act, 1956 in favor of Complainant Bank alongwith other secured creditors.

- h. The Term Loan accounts became NPA on 29.09.2014 with the lenders.
  - i. In its meeting dated 07/09/2018, it was decided to get the forensic audit conducted. Accordingly M/s. Raju and Prasad Chartered Accountants vide letter dated 25.09.2018 were appointed for conducting the forensic audit.

**3. Forensic Audit and the Findings/ observations establishing the Modus Operandi of Fraud:**

HDIL did not co-operate with the forensic auditors. The forensic auditors submitted their report dated 01.07.2019 followed by a conclusion report dated 05.09.2019 whereby the auditors suggested to declare the Accused as "Non-cooperative Borrower".

**4. Transaction cum Forensic Audit of HDIL:** Resolution Professional appointed by National Company Law Tribunal, Mumbai, in the Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code against HDIL, also conducted Transaction cum Forensic Audit of HDIL. It is at this point of time that the Complainant became aware of criminalities committed by the Accused(s) vis-à-vis the said Company. Key points that can be extracted from the said Transaction cum Forensic Audit Report dated 08.05.2020 are as under:

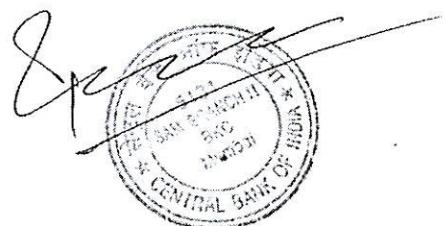
- a) In the year 2018, the said company availed "Unsecured Loan" from another entity called M/s. Aneri FinCap to the tune of Rs.100 crores in parts on 20.03.2018 and 03.04.2018 at interest of 10% p.a. Out of 100 Crores, a sum of around Rs.22,52,50,000/- was utilized to repay the loan of Complainant. However such money was reflected by Company as "**Advances received from Customer**" which does not reflect a true picture. Thus the company (corporate debtor) did not disclose proper facts in its financial statements



(SS)

and since such financial statements are relied upon by the stakeholders / lenders for monitoring the performance of the company (borrower), such misrepresentation in the Annual Reports by the company (corporate debtor) reflects the intent to defrauding the creditors / lenders.

- b) The said company sold a property at Baroda alongwith industrial structures thereon vide Conveyance Deed dated 16.05.2018 to another entity known as M/s. Rose Petal Pedestal for a sum of Rs.123 Crores but the said money was to be received by Privilege Power and Industries Pvt. Ltd. However, forensic audit report has revealed that money was neither received by Company nor by Privilege Power and Industries Pvt. Ltd. but is shown as property sold to Sapphire Land Development Pvt. Ltd. vide entry dated 30.06.2018. Since the said property belonged to the company (corporate debtor), the consideration for the same should have been received by the company (corporate debtor), the same would have been utilized for repayment of its huge outstanding dues. Thus it appears that the company (corporate debtor) has carried out its business transaction with intent to defraud the creditors / lenders.
- c) The said company inflated the inventory in its books of accounts for the period between 2012 – 2020 by transferring an amount of Rs.1828,55,56,980/- from "Work in progress Inventory" of a project MIAL to "Advance Recoverable from Airport Project" even though Company was not entitled to benefits under the project agreement dated 14.10.2010. It is the same period during which the said company availed credit facilities from Complainant on the strength of its books of accounts. Thus, forensic audit report has revealed that company made false entry in the books of account to inflate the receivables. This clearly is done to defraud the Complainant Bank and avail credit facilities based on such misrepresentation.
- d) Transactions of personal nature were undertaken by the Accused abovenamed however the same were recorded through its linked entity



(S4)

Sapphire Land Development Private Limited thereby defrauding the Complainant. For example: Forensic Audit Report has revealed Expenditure in relation to Alibaug property and transaction between promoters and their personal expenditure etc. During the course of audit it is noted that in the ledger of Sapphire Land and Development Pvt. Ltd. various entities are passed where the funds are transferred / received to / from related party as per bank statement but the said transactions are accounted for in the ledger of Sapphire Land and Development Pvt. Ltd. So in that sense the transactions with related party is hided out and were never reported and disclosed in the annual reports. Such a non-disclosure of related party gives a direction of intent of company (corporate debtor) of defrauding the creditors / lenders by not reporting the true transactions with the related party.

- e) From the above points viz a) to d) above, it is clear that Accused, with common design and intent with linked entity Sapphire Land Development Private Limited, deliberately and willfully practiced fraud upon Complainant and diverted the funds with the help of linked entity Sapphire Land Development Private Limited sanctioned by Complainant and other banks for the purposes other than the specific purpose for which the same were granted.
  - f) The Complainant states that Accused abovenamed with dishonest, malafide and criminal intention, criminally conspired and abetted each other to hoodwink and cheat the Complainant bank as well as the other banks and re-routed and siphoned off public money for their ulterior motives.
  - g) It is evident and apparent that Accused persons have not paid the bank's monies advanced by the bank to the said company and enjoying affluent lifestyles by spending huge amount of monies at the cost of the funds of the bank, which is public money. The Accused above named have induced the bank to lend monies by executing requisite documents and giving personal and corporate guarantees and so also on the strength of properties which



(S3)

were charged in favor of Complainant and other consortium banks on pari passu basis, however they had no intention from the very beginning to repay the banks and therefore unjustly and dishonestly caused loss to the banks and the Accused above named have thus gained unjustly.

- h) That the Accused above named have thus committed criminal breach of trust and routed the funds to other accounts fraudulently and with an intent to cause wrongful loss to Complainant and unlawful gain to Accused. The Accused thus cheated the Complainant thereby deceiving and inducing the Complainant to advance the loan amount. Thus, the Accused abovenamed are guilty of committing serious criminal acts as defined under the provisions of the Indian Penal Code.
- i) From the facts and circumstances mentioned hereinabove, it is clear that appropriate action needs to be taken against all the Accused abovenamed under the relevant provisions of Indian Penal Code and any other law prevailing at this point of time. The Complainant states that the Accused above named had no intention to honor their commitments and repay the amounts misappropriated by Accused and therefore unjustly and dishonestly cheated and defrauded Complainant.

5. Present Status of the Account / Borrower Company:

- a) The account turned NPA on 29.09.2014 with our Bank. Since there is no possibility of recovery, joint a suit has been filed in DRT against the borrower and the guarantors.
- b) As on 02.12.2020, the dues outstanding in the account are as under :

(Rs. in crore)

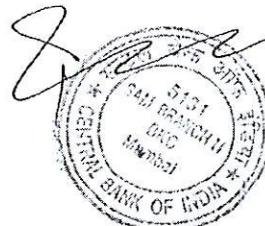
Account	PRINCIPAL DUES	ACCRUED INTEREST FROM 16/04/2014	TO	TOTAL DUES BEING THE TOTAL FINANCIAL LOSS CAUSED UPTO 11/12/2020



		<b>11/12/2020</b>	
TL - 1	<b>35.22</b>	<b>140.69</b>	<b>175.91</b>
FITL -1	<b>2.59</b>	<b>1.72</b>	<b>4.31</b>
TL - PMDO	<b>19.77</b>	<b>17.68</b>	<b>37.45</b>
<b>TOTAL</b>	<b>57.58</b>	<b>160.09</b>	<b>217.67</b>

It may be mentioned that Enforcement Director(ED) has started criminal proceedings **Suo Motto** against HDIL and PMC Bank. C.B.I. has **Suo Motto** initiated criminal proceedings against the Company and its Directors/ Guarantors in relation to PMC Bank default case.

- c) Staff Accountability : Staff Accountability has been examined and no staff has been found accountable.
- d) Declaration of the account as Fraud : The account has been declared as Fraud by our Bank on 21.11.2019 vide FMR – CBI1904-00577, on the ground of cheating and forgery and reported accordingly to the RBI.
- e) Documents : All documents pertaining to credit facilities and PMDO facility granted by Complainant Bank are available with the branch and are in the safe custody of Stressed Asset Management Branch-2, Mumbai.
- f) Role of professional like CA, Advocate etc. : The role of CA responsible for preparing the End Use Certificate, Balance Sheet/ Financial Papers from time to time may be investigated by your good office in view of various irregularities pointed out by the forensic auditors.
- g) After declaring the account as Fraud, it took some time to prepare the complaint and to take necessary steps to take necessary internal approvals. Hence the complaint is filed now.
- h) The Project is in Maharashtra and the lending has been done from Maharashtra, hence there are no inter-state ramifications.



No. RC2242023A0001/CBI/AC-VI/SIT/New Delhi/ 866

Dated: 10.02.2023

1. The Hon'ble Special Judge, CBI Cases (PC Act), Greater Mumbai at Mumbai.

2. The Head of Zone/SIT & ACHQ-II Zone, CBI, New Delhi.

3. The Chief Vigilance Officer, Central Bank of India, 15-16, Bajaj Bhawan, 1<sup>st</sup> Floor,  
Opposite INOX Multiplex, Nariman Point, Mumbai-400021.

4. Sh. P. C. Khurana, Deputy General Manager, Central Bank of India, Stressed Asset  
Management Branch 2, Ground Floor, Chandermukhi Building, Nariman Point,  
Mumbai- 400021.

5. Sh. Sunil Gulia, Inspector, CBI, AC-VI (SIT), New Delhi.

6. FIR Register/Office Copy.

  
10.2.23.  
(PARVINDER SINGH)  
SUPDT. OF POLICE  
CBI, AC-VI (SIT), NEW DELHI

PARVINDER SINGH, IPS  
S.P, CBI, AC-VI/SIT, ND