



IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR. JUSTICE BECHU KURIAN THOMAS

THURSDAY, THE 20TH DAY OF JULY 2023 / 29TH ASHADHA, 1945

WP(CRL.) NO. 631 OF 2023

CRIME NO.780/2022 OF KOZHIKODE TOWN POLICE STATION

PETITIONERS:-

- 1 PUNJAB NATIONAL BANK
REPRESENTED BY ITS CHIEF MANAGER,
CIRCLE OFFICE, SHATABDHI BHAVAN, MINI BYPASS ROAD,
GOVINDAPURAM P.O., KOZHIKODE DISTRICT, PIN - 673 016.
- 2 SENIOR MANAGER
PUNJAB NATIONAL BANK, LINK ROAD BRANCH, 1ST FLOOR,
AMBEDKAR BUILDING, RAILWAY STATION LINK ROAD,
KOZHIKODE - 673 002.

BY ADV K.P.SUDHEER

RESPONDENTS:-

- 1 CENTRAL BUREAU OF INVESTIGATION
REPRESENTED BY ITS SUPERINTENDENT OF POLICE,
BANK COMPLAINT CELL, 5TH FLOOR, CBI HEADQUARTERS,
5-B, CGO COMPLEX, LODHI ROAD, NEW DELHI - 110 003.
- 2 RESERVE BANK OF INDIA
REPRESENTED BY ITS CHIEF GENERAL MANAGER,
16TH FLOOR, CENTRAL OFFICE BUILDING, SHAHID BHAGAT
SINGH MARG, MUMBAI - 400 001.
- 3 DEPUTY SUPERINTENDENT OF POLICE
STATE CRIME BRANCH, ECONOMIC OFFENCES WING (EOW)
NADAKKAVU, KOZHIKODE CITY - 673 011.
- 4 THE ASSISTANT COMMISSIONER OF POLICE
DISTRICT CRIME BRANCH, MANANCHIRA,



KOZHIKODE - 673 001.

5 INSPECTOR OF POLICE
KOZHIKODE TOWN POLICE STATION, KOZHIKODE CITY,
KOZHIKODE, PIN - 673 001.

SRI. K.A.NOUSHAD - SR. PUBLIC PROSECUTOR

THIS WRIT PETITION (CRIMINAL) HAVING COME UP FOR
ADMISSION ON 20.07.2023, THE COURT ON THE SAME DAY
DELIVERED THE FOLLOWING:



BECHU KURIAN THOMAS, J.

.....
WP (CrI). No. 631 of 2023

.....
Dated this the 20th day of July, 2023

JUDGMENT

First petitioner is a Public Sector Bank. It alleges that Crime No. 780/2022 of Kozhikode Town Police Station was registered at the instance of the second petitioner, alleging offences punishable under Sections 409 and 420 of the Indian Penal Code, 1860. The gist of the allegations as evident from Exhibit P1 is that, between the period 12.10.2022 and 25.11.2022, the accused who was the former senior Manager of the bank had cheated and defrauded the Punjab National Bank as well as the Kozhikode Corporation for an amount more than Rs.98,00,000/- (Rupees ninety eight lakhs) and thereby committed the offences alleged.

2. Subsequently, during the course of investigation by the local police, it was realised that the amount involved had swelled upto more than twelve and a half crores of rupees.

3. It is in such circumstances that the petitioner has



approached this Court relying upon the Reserve Bank of India (Frauds Classification and Reporting by Commercial Banks and Select FIs) Directions, 2016 issued under Section 35A of the Banking Regulation Act, 1949. As per clause 6.1 of the said Regulation, the financial frauds involving more than three crores rupees and above has to be investigated by the Anti Corruption Branch of the CBI, if the involvement of the banking staff is evident and by the Economic Wing of the CBI if staff involvement is prima facie not evident.

4. Admittedly the crime was registered against the former senior Manager of the 1st petitioner. The learned Government Pleader has submitted, pursuant to the instructions from the 5th respondent that the amount involved in the offence alleged has swelled up to Rs.12,81,39,000/- (Rupees twelve crores eighty one lakhs and thirty nine thousand only).

5. I have heard Sri. K.P Sudheer, the learned counsel for the petitioner, Sri. Sreelal N Warriar, the Standing Counsel for the 1st respondent and Sri. K.A Noushad, the learned Public Prosecutor on behalf of respondents 3 to 5.

6. It is evident from a perusal of Exhibit P3 regulations that if the amount of fraud or cheating involved is more than three



crores rupees, complaint has to be investigated by the CBI.

7. Admittedly, investigation conducted so far by the local police has revealed that the accused had cheated the 1st petitioner of an amount of more than twelve and a half crores of rupees. In view of the above circumstances and the regulations mentioned earlier, it is evident that Crime No.780/2022 of Kozhikode Town Police Station is required to be investigated by the Central Bureau of Investigation.

8. Therefore, the 5th respondent is bound to inform the crime to the 1st respondent who shall thereafter, take over investigation of the aforementioned crime and complete the investigation as early as possible.

The writ petition is disposed as above.

**Sd/-
BECHU KURIAN THOMAS
JUDGE**

APPENDIX OF WP (CRL.) 631/2023

PETITIONER EXHIBITS

- EXHIBIT P 1 TRUE COPY OF THE FIRST INFORMATION REPORT DATED 29.11.2022 IN CRIME NO. 780 OF 2022 OF KOZHIKODE TOWN POLICE STATION.
- EXHIBIT P 2 TRUE COPY OF THE COMMUNICATION ISSUED BY THE 2ND PETITIONER TO THE CIRCLE HEAD OF 1ST PETITIONER BANK ON 28.11.2022.
- EXHIBIT P 3 TRUE COPY OF THE RESERVE BANK OF INDIA (FRAUDS CLASSIFICATION AND REPORTING BY COMMERCIAL BANKS AND SELECT FIS) DIRECTIONS 2016.
- EXHIBIT P 4 TRUE COPY OF LETTER DATED 25.1.2023 BY THE 2ND PETITIONER TO THE 4TH RESPONDENT.
- EXHIBIT P 5 TRUE COPY OF THE LETTER DATED 27/01/2023 ISSUED BY THE DETECTIVE INSPECTOR, CRIME BRANCH, KOZHIKODE TO THE 2ND PETITIONER.
- EXHIBIT P 6 TRUE COPY OF LETTER DATED 06/02/2023 SUBMITTED BY THE FIRST PETITIONER TO THE FIRST RESPONDENT.
- EXHIBIT P 7 TRUE COPY OF THE REPLY NUMBERED AS CBI ID NO. 1340/BCC/2023/E/0058 DATED 09/03/2023 ISSUED BY THE FIRST RESPONDENT TO THE FIRST PETITIONER.
- EXHIBIT P 8 TRUE COPY OF THE REQUEST DATED 15/03/2023 SUBMITTED BY THE FIRST PETITIONER TO THE FIRST RESPONDENT.