



2025:DHC:8964



* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% **Reserved on: 25th September, 2025**
Pronounced on: 08th October, 2025

+ **BAIL APPL. 2864/2025**

RAJU SINGH

S/o Late Sh. Rajpal Singh Rana
R/o C-87, Amar Colony,
Nangloi, Delhi-110041.

.....Petitioner

Through: Mr. Saurabh Jain, Mr. Swapnesh Dak,
Ms. Parul Garg and Ms. Rashee Jain,
Advocates

versus

STATE (DELHI ADMINISTRATION)

.....Respondent

Through: Mr. Utkarsh, APP for the State with
Insp. Satyender Dhull
Mr. L.K. Singh, Ms. Shreyasi
Chakrabarty and Mr. Amaan Rahman,
Advocates for Complainant

CORAM:

HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

J U D G M E N T

NEENA BANSAL KRISHNA, J.

1. **Regular** Bail Application under Section 439 of the Code of Criminal Procedure, 1973 (*hereinafter referred to as 'Cr.PC'*) (Section 483 of the *Bharatiya Nagarik Suraksha Sanhita, 2023*) (*hereinafter referred to as 'B.N.S.S.'*) has been filed on behalf of the **Applicant/Raju Singh** in Case FIR No. 139/2022 under Sections 420/409/468/471 read with Section 120B



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of the Indian Penal Code, 1860 (*hereinafter referred to as 'IPC'*) registered at Police Station EOW, New Delhi.

2. It is submitted that the Applicant was arrested on 20.08.2024 and has been in Judicial Custody for a period of more than 11 months. The Chargesheet was filed on 16.11.2024. Ld. Chief Judicial Magistrate Court, North-West District, Rohini Court, Delhi took Cognizance of the same on 04.12.2024. Supplementary Charge-Sheet in the aforesaid FIR, was filed on 11.07.2025.

3. It is further submitted that the First, Third, and Fifth regular Bail Applications were dismissed by the Ld. Chief Judicial Magistrate, North-West District, Rohini Courts, Delhi, on 05.09.2024, 18.12.2024, and 09.05.2025, respectively. Likewise, the Second, Fourth, and Sixth regular Bail Applications were rejected by the Ld. Sessions Court, North-West District, Rohini Courts, Delhi, on 30.09.2024, 17.01.2025, and 02.06.2025.

4. It is submitted that one of the co-accused in the aforesaid FIR, namely Ms. Babita Bansal, Garage owner, has already been Anticipatory Bail by the Ld. Sessions Court on 22.04.2025. Likewise, another co-accused, namely Mr. Deepak Kumar, Insurance Examiner with the Complainant Company, has been granted Regular Bail by the Ld. Sessions Court on 18.06.2025.

5. The **brief facts of the case** are that the Complainant Company/Tata AIG General Insurance Ltd., is a registered Insurance Company under the Insurance Regulatory and Development Authority of India (IRDAI) and is engaged in the business of providing general Insurance services. The Applicant/Raju Singh is the Sole Proprietor of a Garage by the name and "*Shri Balaji Motors*".



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6. As per the case of the Prosecution, the Complainant Company received an alleged Whistle-Blower Complaint through an anonymous email dated 29.09.2021 which contained serious allegations specifically directed against senior management officers of the Complainant Company, including Mr. Naveen Chhikara, Vice President – Auto Claims and Mr. Pradeep Rana, Chief Manager. It was alleged therein that the aforesaid officials were involved in perpetrating a fraud upon the Complainant Company in the Gurgaon and Delhi regions. It was further alleged that Mr. Naveen Chhikara, in his capacity as Vice President – Auto Claims, had facilitated the empanelment of two Garages owned by his close relatives, in violation of the Company's internal employment and conflict of interest Policies.

7. It is submitted that the name of the Applicant does not find any reference whatsoever in the said Whistle-Blower email Complaint.

8. The Complainant Company formed an *Internal Investigation Team*, which submitted its Report on 09.12.2021. Despite receiving this detailed Report from the Fraud Control Unit (FCU), the Company delayed filing a Complaint for over four months, which was eventually filed on 19.04.2022 at the Mumbai Joint Commissioner of Police, even though the alleged fraud occurred in the Delhi-NCR region. The Economic Offences Wing (EOW) in Delhi conducted a Preliminary Investigation for about five months. On 13.09.2022, FIR No. 139/2022 was registered under Sections 420, 409, 468, 471, and 120-B IPC at EOW, Delhi.

9. It is submitted that the Applicant/Raju Singh, was arrested on 20.08.2024, nearly two years after the FIR was registered. This sudden and unexplained delay raises serious concerns about the fairness and



transparency of the investigation. The delayed arrest without any new evidence or developments, suggests a mechanical and superficial approach by the Investigating Agency. Furthermore, the IO even failed to effect service of the mandatory Notice under Section 41A of Cr.P.C upon the Applicant.

10. Reliance is placed on Arnesh Kumar vs. State of Bihar, (2014) 8 SCC 273 wherein held that non-compliance with Section 41(A) Cr.P.C. entitles the accused to be considered for grant of bail. Therefore, the arrest of the Petitioner without adherence to due process, is vitiated and renders the continued detention legally unsustainable.

11. It is submitted that the Garage of the Applicant had a strong market reputation and the necessary infrastructure, to provide quality service. The Complainant Company approached the Petitioner to take him onboard. The Garage was vacated and closed by the Applicant in 2021.

12. In August 2024, during the Applicant's two-day Police Custody, the IO visited and inspected the Garage after a three-year gap. The Chargesheet acknowledged that the premises were used for vehicle repairs and had been identified as a potential garage during its operational period.

13. The Applicant denies the allegations in the FIR regarding fake or forged Invoices and photographs. It is submitted that all Claims were based on estimates approved by the Complainant Company's Examiner or external Surveyors, for claims over Rs. 50,000/- and further verified by designated Company Officials, before repairs began. The Claims underwent a *multi-level verification process*, including photographic evidence and supporting documents, before funds were released. As a service provider for insured vehicle repairs, the Applicant had no involvement in any unlawful



association, embezzlement, or forgery. There was no intent to deceive or commit fraud.

14. It is submitted that the Applicant's role was limited to submitting repair quotations to the Complainant Company's authorized representatives and performing approved repairs.

15. It is submitted that it is a matter of record that the total amount mentioned in the Chargesheet pertains to Rs. 7.75 Crores only.

16. *The Applicant has sought Regular Bail on the grounds that he is a law-abiding citizen, 49 years old and is the sole breadwinner of his family.*

17. It is submitted that the Applicant has already been interrogated by the concerned I.O. and had been remanded to Police Custody on two occasions, for a total of four days. He has extended full cooperation during the course of investigation and has maintained exemplary conduct throughout the proceedings.

18. It is submitted that the co-accused in the aforesaid F.I.R., namely Ms. Babita Bansal, who is/was also a Garage Owner alleged to be involved in the purported insurance fraud, has been granted the relief of Anticipatory Bail by the learned Sessions Court in Bail Application No. 331/2025 *vide* Order dated 22.04.2025.

19. It is submitted that the Applicant denies all allegations of insurance claim fraud linked to his Garage, *Shri Balaji Motors*. The Garage was lawfully operated from its registered address, as acknowledged by the I.O. in the Chargesheet. The Applicant was engaged in legitimate repair and related activities at the premises. Furthermore, this is supported by the Axis Bank Manager's statement, confirming two visits by bank officials to verify



the business location before opening the Firm's account, including verification of the business nature through neighbours.

20. It is submitted that the Complainant Company filed the Complaint in a Police Station without jurisdiction, gave contradictory information, and issued a recovery Notice despite calling it fraud. The alleged fraud amount was initially Rs.3.89 Crores, but was later inflated to Rs.7.75 Crores in the Chargesheet, showing their bad faith and inconsistent stance.

21. It is submitted that the Complainant admitted it was their duty to verify prior Claims but failed to do so, and is now unfairly blaming the Applicant, who as a garage owner, only repaired vehicles as directed by the Complainant and is wrongly being made an accused for the Complainant's own failures.

22. The Applicant being a Garage owner, has a limited role in Insurance Claim processing. After an accident, the insured contacts the insurer or an empanelled Garage. An examiner inspects the vehicle and if damage exceeds Rs.50,000/-, an external Surveyor is appointed as per IRDAI rules. The Garage provides a repair quotation and performs repairs under Insurer's directions. Final approval is given by the Examiner and Surveyor before releasing the vehicle. The Applicant merely follows Insurer instructions and does not handle Claim approvals.

23. It is submitted that a total of 17 individuals have been named as accused in the subject FIR; however, investigation and/or arrest has been carried out only in respect of 6 of them till date.

24. The Complainant Company submitted only 555 digital copies of insurance Claim Forms, but just 154 original Claim Files are on record. Initially, they claimed 589 fraudulent cases but later reduced the number to



555, showing inconsistency. Moreover, there has been no follow-up from the Prosecution for 15 months.

25. It is submitted that the Garage operated by the Applicant under the name of *M/s Shri Balaji Motors* was a legitimate and operational establishment, and not a fictitious entity as alleged. The Garage was duly registered with GST Department, and regular GST Returns were filed as per Rules. Furthermore, the Garage was being operated from a rented physical location. Although the Rent Agreement was not formally renewed, the Applicant and landlord continued the arrangement based on mutual understanding from 2019 onwards, especially due to COVID-19. The Garage's physical existence is also supported by referencing "*M/s Shri Balaji Motors*" in several Insurance Claim Files related to the alleged fraud, which are already included in the Chargesheet.

26. Furthermore, it is submitted that the Applicant is a co-Applicant, both individually and as proprietor of *M/s Shri Balaji Motors*, on a Home Loan account with Aditya Birla Housing Finance Ltd. Notably, the standard Know Your Customer (KYC) verification process for proprietorship businesses includes physical verification of the business premises and confirmation of the business nature as declared in the GST registration, before the loan is sanctioned or disbursed.

27. It is further submitted that as per the Chargesheet, the statements of 39 witnesses have been recorded, and not a single witness has implicated the Applicant in the commission of the alleged offence.

28. The Complaint pertains to incidents occurring between September 2019 and September 2021, and all relevant records and documents are



already in the possession of the Prosecution. Therefore, there is no need for any recovery or interrogation of the Applicant in relation to the matter.

29. *A prayer is made that he may be granted Bail.*

30. The **Status Report has been submitted on behalf of the Respondent/State**, wherein it has been explained that the Complainant had alleged that six Garage operators located in Delhi NCR region in collusion with four former employees of Complainant Company, 3 IRDAI licensed external surveyors and some policyholders had submitted fake repair Invoices for vehicles damaged, which in fact were actually never repaired. The Complainant Company was induced to make payments against these fraudulent claims causing a loss to the tune of Rs.30 crores to the Company and illegal gains to the perpetrator.

31. *An enquiry was conducted by EOW. During the investigations, the following facts emerged :*

- Multiple high-value claims were filed for the same vehicle under different insurance policy numbers and in the names of different policyholders.
- Several high-value claims were submitted by the same policyholders across different Garages (workshops).
- Different vehicle registration numbers were found for vehicles with the same chassis numbers.
- There is overlapping of insurance policies (the second policy has been purchased while the previous policy had not expired).



- Identical or similar photographs, taken from different angles of the same vehicle, were used in multiple claims.
- The drivers, shown as driving the vehicles at the time of the accidents denied their involvement in any such incidents.
- The registered owners of these vehicles could not verify the occurrence of the claimed accidents.
- It is significant to note that, out of the total 713 allegedly staged accident claims reported by the Complainant company till date, not even a single case is corroborated by a PCR call, any record of physical injury, or a Medico-Legal Case (MLC).
- The financial loss to the company was initially estimated approximately Rs.20 crores, which has now crossed Rs.30 crores.

32. Based on these evidences, the present FIR was registered.

33. It is stated that the Applicant/Raju Singh, is the Sole Proprietor of a workshop/Garage under the name and style of “*Shri Balaji Motors*”. However, field inquiries and examination of the owner of premises purportedly shown as the place of business of the said entity, revealed that the unit existed on paper only and had no actual operational existence.

34. It further emerged during investigation that none of the available drivers or owners of vehicles, which were allegedly shown to have been repaired at “*Shri Balaji Motors*”, stated to having met with any such accidents.

35. The investigation established that the Applicant had fraudulently submitted a total of 102 bogus insurance Claims, on the basis of which



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reimbursements amounting to approximately Rs 7.75 crores were credited into his Firm bank account by deceitful and fraudulent means over a period of more than 2 years.

36. The Applicant, sole proprietor of *Shri Balaji Motors*, was arrested on 20.08.2024 after sufficient evidence came on record. He was intensively interrogated while he remained in police custody for four days. During interrogation, he revealed the connivance of one Dinesh Bansal, who was managing three more workshops/Garages involved in the case. Dinesh Bansal was arrested in the case on 17.04.2025 and is in Judicial Custody since then.

37. The Applicant, along with his associate Dinesh Bansal, allegedly created a scheme to boost business by offering acquaintances and businessmen a chance to use high-end pre-owned luxury cars like Mercedes, Volvo, and Audi for one year. This was a way to enhance social status without the need for heavy investment. Under the plan, the accused covered insurance and maintenance costs and promised to buy back the car after one year at a 20% reduced value. During this period, they reportedly filed an average of two insurance Claims per vehicle, annually.

38. These second-hand luxury vehicles typically cost Rs 15-20 lakhs, implying an annual depreciation of about Rs 3-4 lakhs. The accused got these vehicles insured with Tata AIG, allegedly due to the Company's leniency in Claim approvals.

39. During the course of investigation, it emerged that fake accidents were staged, and vehicles were dismantled, to claim reimbursement from the Complainant Company. The same photos were reused in multiple Claims,



often facilitated by the digital processes adopted during the COVID-19 pandemic.

40. It was revealed that Airbag replacement was a frequently used damage claim, as photos of deployed airbags can be easily manipulated and these parts lack engine or *chassis* numbers. The replacement cost ranged from Rs.2 lakhs to Rs.4.5 lakhs, depending on the vehicle model. Additionally, most funds fraudulently obtained from Tata AIG Insurance through reimbursements in the Applicant's bank account, were diverted to shell Companies. Efforts to trace and investigate these secondary beneficiaries established that none of them physically existed.

41. A Chargesheet against the Applicant was filed on 16.11.2024 and the learned Trial Court took cognizance of the case on 04.12.2024. A supplementary charge-sheet under Section 173(8) Cr.P.C., had also been filed on 11.07.2025, after arrest of four more accused persons.

42. Lastly, the Examination of Senior Management of the Complainant Company and collection of evidences against them is in progress at present. Additional evidence in the form of emails and data from seized laptops, were sent to FSL and the result of the same will be included in the supplementary Chargesheet. Role of middlemen and car dealers, is also under investigation.

43. *Hence, the present Bail Applicant is liable to be dismissed.*

44. **Reply has been filed by the Complainant Company/TATA AIG Insurance Company.**

45. It is submitted that the Applicant was named in the FIR and is one of the main culprits involved in the deep-rooted conspiracy to illegally siphon off public money from the coffers of the Complainant Company.



46. The said conspiracy involved, four senior employees of the complainant; garage owners empanelled with the complainant; IRDAI licensed surveyors; and the owners/insured of the vehicles which were high end vehicles such as BMW, Mercedes, Audi, etc.

47. It is further submitted that the Applicant, who is the Garage owner of *M/s Balaji Enterprises* has, on investigation, been found to be one of the main protagonist of the crime and of being involved in common conspiracy in the siphoning off more than Rs. 23 Crores of public money from the coffers of the Complainant Company and has been found to be directly involved in siphoning of more than Rs. 7.75 Crores.

48. It is submitted that the Applicant conceived a scheme that defrauded the Complainant by convincing people to lease high-end luxury cars for one year. The Applicant guaranteed to cover all insurance and repair costs for one year or 20,000 kms and promised to buy back the cars after this period at 20% less than the original price. During the lease, these luxury cars were insured with the Complainant.

49. It is submitted that the Applicant had presented and obtained at least 102 bogus accident Claims between February 2019 and August 2021.

50. It is submitted that with respect to the Applicant herein the Chargesheet, records that - (a) the Applicant could not produce any name or address details of the mechanics working in the Petitioner's Garage; (b) none of the shell Companies to which the Applicant siphoned off the money, were found to be in existence; (c) the Applicant could not produce any proof of purchasing spare parts for the repair of the alleged damaged vehicles; and (d) there is not even a single police Complaint, DD entry or PCR call in respect of the alleged accidents.



51. It is further submitted that the Applicant, while even in custody, has managed to keep his family members who were involved in the conspiracy at bay and not get implicated in the investigation. This clearly shows the influence which the Applicant can exercise and the possibility of he managing to influence the persons concerned with the investigation, if released on Bail.

52. It is further submitted that the Applicant is a repeat offender, having been involved directly in submission of at least 102 bogus Claims so far.

53. Further, the money trail in respect of the crime has not yet been established. There is a real apprehension that the Applicant will tamper and destroy tangible evidence if granted Bail. The Applicant's active role in duping the Complainant of at least Rs.23 Crores, the underlying scam and conspiracy, and potential to influence witnesses - *all are important factors to dismissed the Bail Application.*

Submissions heard and the record perused.

54. The Applicant/Raju Singh is the Garage Owner of *M/s Shri Balaji Motors*. The Prosecution has asserted that the Applicant, as proprietor of the said Garage, is alleged to have submitted 102 bogus Insurance Claims resulting in fraudulent reimbursements of approximately Rs. 7.75 Crores being credited into his Firm's bank account, over a period of more than 2 years.

55. The co-accused, Ms. Babita Bansal, who is also a Garage owner alleged to be involved in the purported insurance fraud with a role similar to that of the Applicant, has been granted Anticipatory Bail by the learned Sessions Court *vide* Order dated 22.04.2025. Likewise, another co-accused, Mr. Deepak Kumar, Insurance Examiner with the Complainant Company,



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has been granted Regular Bail by the learned Sessions Court *vide* Order dated 18.06.2025.

56. From the investigations, essentially it is Mr. Naveen Chikkara, who President of the Company, who has been identified as main kingpin of the fraud, who has till date, not been arrested. In the case of Himansh alias Himanshu Verma vs. Directorate of Enforcement, 2024 SCC OnLine SC 4697, the Apex Court in similar circumstances where the main accused was not arrested, granted Bail to the co-accused.

57. Furthermore, the Charge-Sheet already stand filed on 16.11.2024 and Supplementary Charge-Sheet on 11.07.2025. The Complaint pertains to incidents occurring between September 2019 and September 2021, and all relevant records and documents are already in the possession of the Prosecution. No further custodial detention is merited as the investigations against him, stand concluded.

58. Furthermore, it is pertinent to note that a substantial time has passed since the arrest of the Applicant. The Applicant has been in Judicial Custody since 20.08.2024, *for more than one year*.

59. Considering his conduct, nature of allegations and that the Charge-Sheet/Supplementary Charge-Sheet has already been filed against him, the Applicant/Raju Singh is admitted to Regular Bail on his furnishing a Personal Bond in the sum of Rs.50,000/- (Rupees Fifty Thousand Only) with one surety in the like amount to the satisfaction of learned Trial Court and on the following conditions:

- (a) That the Applicant shall not tamper with the evidence or influence any witness(es) in any manner;



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(b) That the Applicant shall file an “Undertaking” to the effect that he shall appear before the Court on each and every date of hearing to attend the proceedings in accordance with the terms of Bail Bond, which would be executed by him. In case of default, it shall be open to the learned Trial Court to treat it as an abuse of liberty of Bail and pass orders in accordance with law;

c) In case the Applicant misuses the liberty of Bail during trial and in order to secure his presence, proclamation under Section 82 Cr.P.C is issued and the Applicant fails to appear before the Court on the date fixed in such proclamation, then the learned Trial Court shall initiate necessary proceedings against him, in accordance with law;

(d) The Accused/Applicant is further directed not to leave the jurisdiction of NCT of Delhi, without prior permission of the concerned IO/SHO;

(e) The Applicant shall provide his mobile number and share his google PIN location to the concerned IO/SHO and shall keep his mobile phone operational at all times.

60. The Bail Application is disposed of accordingly.

(NEENA BANSAL KRISHNA)
JUDGE

OCTOBER 08, 2025