

HIGH COURT OF CHHATTISGARH, BILASPUR

MCRC No. 6721 of 2015

1. K. Jagannath Rao, S/o Late K. Hanumant Rao aged about 58 years, R/o House No. 209, Radha Krishna Nagar, Gokul Road, Hubli, District Dharwad, Karnataka Pin 580024

**---- Applicant
(In Jail)**

Versus

1. State Of Chhattisgarh Through Station House Officer, Police Station Civil Lines, Raipur, Chhattisgarh

---- Respondent

21/01/2016	Shri Ranbir Singh Marhas, Advocate for the applicant. Shri Vivek Sharma, Government Advocate for the State. The applicant has preferred this fourth bail application under Section 439 Cr.P.C. for grant of bail as he has been arrested in connection with Crime No.179/12 registered at Police Station Civil Lines, Raipur for the offence punishable under Sections 420, 467, 468, 471 & 120B/34 of the IPC. Case of the prosecution in brief is that on 7.5.2011 an agreement for sale and purchase of 1,10,000 WMT of iron ore fines was executed between M/s Hira Steel and M/s Coastal Mines & Minerals and as per this agreement, the contents of iron ore fines was to be 52%. M/s Geo Chem was appointed to issue quality and quantity certificates in this regard. Accordingly, the said company had issued certificates in respect of quality and weight of iron ore procured by M/s Hira Steel Ltd. from M/s	

Coastal Mines & Minerals certifying that the iron ore had the requisite Fe content of 53.69%. However, on reaching China when the same iron ore was inspected by a Chinese Government Agency it was found to be inferior with Fe content of 41.18% only. It is the further case of the prosecution that present applicant, who was posted as Branch Manager of said Geo Chem and was also head of Goa Branch of the said company, along with co-accused V. Ghotage, who is partner of M/s Coastal Mines and Minerals, had defrauded the complainant company with respect to Fe contents in the iron ore. Resultantly, the contract between the complainant company and the importer at China was cancelled and the complainant company suffered huge loss of more than 50 crores.

Counsel for the applicant submits that the trial has been stayed by the Supreme Court vide order dated 22.8.2014 passed in S.L.P. (Cr.) No.15937/-15938/2014. He further submits that considering the detention period of co-accused V. Ghotage, he has been released on bail by the Supreme Court vide order dated 4.8.2015 passed in SLP (Cr) No.2118/2015. He further submits that present applicant is in jail since 16.5.2012, the offences are triable by the Magistrate 1st Class and since the trial has been stayed by the Hon'ble Supreme Court, the disposal of the same would take some more time and therefore the applicant may be released on bail.

On the other hand, the State counsel has opposed the bail application.

Considering the facts and circumstances of the case and the subsequent developments such as stay of trial by the Supreme Court, release of co-accused

on bail by the Supreme Court and pre-trial detention of the present applicant for more than 3½ years, this Court is of the opinion that he is entitled to be released on bail.

Accordingly, the application is allowed and the applicant is directed to be released on bail on his executing a personal bond for a sum of Rs.50,000/- (Rupees Fifty Thousand) with one local surety for the like amount to the satisfaction of the trial Court concerned. The applicant is directed to appear before the trial Court concerned on each and every date given by the said Court.

Sd/-
(Pritinker Diwaker)
Judge