

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

Date of Decision: 17.10.2022

1. CRM-M No.42290 of 2022(O&M) (Reserved on 27.09.2022)

Bharat Bhushan

.....Petitioner

Vs

State of Punjab

.....Respondent

2. CRM-M No.41913 of 2022(O&M) (Reserved on 27.09.2022)

Sandeep Bhatia

.....Petitioner

Vs

State of Punjab

.....Respondent

3. CRM-M No.41915 of 2022(O&M) (Reserved on 27.09.2022)

Jagroop Singh

.....Petitioner

Vs

State of Punjab

.....Respondent

4. CRM-M No.45678 of 2022(O&M) (Reserved on 12.10.2022)

Surinder Kumar

.....Petitioner

Vs

State of Punjab

.....Respondent

5. CRM-M No.46641 of 2022(O&M) (Reserved on 12.10.2022)

Anil Jain

.....Petitioner

Vs

State of Punjab

.....Respondent

CORAM: *HON'BLE MR. JUSTICE RAJ MOHAN SINGH*

Present: Mr. Bipan Ghai, Sr. Advocate with
Mr. Nikhil Ghai, Advocate,
Mr. Tushar Rawal, Advocate,
Mr. Rishabh Singh, Advocate,
Mr. P.S. Bindra, Advocate and
Mr. Siddharth Arora, Advocate
for the petitioner in CRM-M No.42290 of 2022.

Mr. Chetan Mittal, Sr. Advocate with
Mr. Nitin Bansal, Advocate,
Mr. Kunal Mulwani, Advocate and
Mr. Vikas Thakur, Advocate
for the petitioner in CRM-M Nos.41913 and 41915 of 2022.

Mr. APS Deol, Sr. Advocate with
Mr. Vishal Rattan, Advocate
for the petitioner in CRM-M No.45678 of 2022.

Mr. S.K. Garg Narwana, Advocate with
Mr. Vishal Garg Narwana, Advocate and
Mr. Japjit Singh Johal, Advocate
for the petitioner in CRM-M No.46641 of 2022.

Mr. Randeep Singh Rai, Sr. Advocate with
Mr. Prashant Manchanda, Advocate,
Mr. Ferry Sofat, Addl., A.G., Punjab and
Mr. Gaurav Garg Dhuriwala, Addl. A.G., Punjab.

Mr. Abhinav Gupta, Advocate,
Mr. Akash Yadav, Advocate and
Mr. Rajkaran Singh, Advocate
for the complainant.

Mr. P.S. Ahluwalia, Advocate
for the victim.

RAJ MOHAN SINGH, J.

[1]. Vide this common order, CRM-M No.42290 of 2022 titled Bharat Bhushan Vs. State of Punjab, CRM-M No.41913 of 2022 titled Sandeep Bhatia Vs. State of Punjab, CRM-M No.41915 of 2022 titled Jagroop Singh Vs. State of Punjab, CRM-M No.45678 of 2022 titled Surinder Kumar Vs. State of Punjab and CRM-M No.46641 of 2022 titled Anil Jain Vs. State of Punjab are being decided. Since all the cases have arisen from the same FIR, therefore, the facts are being culled out from CRM-M No.42290 of 2022.

[2]. In CRM-M No.42290 of 2022, petitioner seeks grant of regular bail under Section 439 Cr.P.C in case bearing FIR No.11 dated 16.08.2022 registered under Sections 420, 409, 467, 468, 471, 120-B IPC and Sections 7, 8, 12, 13(2) of the Prevention of Corruption Act at Police Station Vigilance Bureau, District Ludhiana.

[3]. In CRM-M No.41913, 41915, 45678 and 46641 of 2022, the petitioners therein seek grant of anticipatory bail under Section 438 Cr.P.C in case bearing FIR No.11 dated 16.08.2022 registered under Sections 420, 409, 467, 468, 471, 120-B IPC and Sections 7,8, 12, 13(2) of the Prevention of Corruption Act at Police Station Vigilance Bureau, District Ludhiana.

[4]. FIR has been registered on the complaint of one Gurpreet Singh. Complaint No.72/2022 was registered vide diary No.1752 dated 16.08.2022 and was sent by the police to the Vigilance

Bureau, Ludhiana Range, Ludhiana for registration of the case against Sh. Surinder Kumar Beri, DFSC, Ludhiana (West), Sh. M.P Singh, Manager, Warehouse Ludhiana, Sh. Munish Narula, Deputy Director, Patiala, Sh. Bharat Bhushan Ashu, Former Minister, Punjab, Telu Ram and others. During investigation, it was found that in the year 2020-21, Food and Supply Department, Punjab had issued certain transportation and labour cartage policies after getting approval from the Punjab Government for transportation and labour cartage work of wheat/paddy/stock articles and an advertisement was given in the newspaper by the Department of Food Civil Supplies and Consumer Affairs for inviting bids for the tenders. For the purpose of allotting tenders, District Tender Committee was constituted. The Chairman of the Committee was to be District Commissioner of concerned District or any other officer appointed by the Deputy Commissioner not less than the rank of Deputy Director, Department of Food Civil Supplies and Consumer Affairs and District Managers of all purchase agencies were to be its members. The District committee was consisted of members Sh. Sukhwinder Singh Gill, District Controller, Department of Food Civil Supplies and Consumer Affairs, Ludhiana (West), Smt. Harvin Kaur, District Controller, Department of Food Civil Supplies and Consumer Affairs, Ludhiana (East), Sh. Hardeep Singh Chahal, District Manager, Ludhiana Markfed, Ludhiana, Sh. Jagdeep Singh Dhillon, District Manager, PUNSUP, Ludhiana, Sh. Mahinderpal Singh, District

Manager, Warehouse, Ludhiana and Sh. Gangetwar Ghoshali, District Manager, FCI Ludhiana.

[5]. The aforesaid committee had conducted the tenders of east/west clusters. As per Clause (6) of the Transportation Policy and Clause (7) of the Labour Cartage Policy, the tenders were invited for clusters so that the activities of wheat and paddy crops at the time of rabi and kharif season can go on smoothly. The Department had called for the tenders in the form of e-tenders on its website. There were defined qualifications and requirements as per policy 2020-21 like the one that the applicant should be the citizen of India aged above 18 years. If the tender is to be filled by a society or company or proprietorship or firm or worker management committee, then it should be a registered one and the applicant has to give an undertaking that the applicant is not a bankrupt and has not been blacklisted by any Government Department or the applicant has not been convicted in any case for imprisonment of more than three years. The applicant has nothing due to any Government agency and the applicant holds a valid PAN Card, Aadhaar Card and holds a valid mobile number and e-mail ID. The applicant will get the earnest money deposited as per tender and also holds EPF and ISI number. The applicant has to have the adequate labour and truck as per capacity of cluster and holds a valid GST number and food safety licence for the last three years. The applicant shall have at least one year experience in food grain agency and shall have the

required turn over as per capacity of the cluster. The applicant will provide balance-sheet in this regard.

[6]. The capacity of the cluster was different as per the arrival of the wheat in the policy of year 2019-20, but in policy 2020-21, the capacity will be fixed on arrival of crop as per Clause 5-C of the Policy after considering which one is more. As a result of the aforesaid, capacity/turn over of the cluster was increased and the competition was reduced. There was rise in the rates of some clusters and many contractors could not take part in this process. The complainant could not fill the tender and could not compete as the tender rate was increased and there was no competition. Some other contractors had filled the tenders, but were rejected on account of deficiencies. When the list of vehicles submitted by the contractors namely Jagroop Singh, Telu Ram, partner/owner of Gurdas Maan and Company at the time of filling the tender for 2020-21 was obtained and was verified from the District Transport Department Authority, then it was found that many numbers of the vehicles were of scooters, motorcycles, cars etc and the gate passes related to the cluster of contractor (Telu Ram) were found to be of scooters, motorcycles and cars etc. These vehicles could not be used for transporting the food grains and mentioning of the vehicles for transporting the goods was on account of fake reporting, intended to misappropriate the material mentioned in the gate passes. The concerned officials did not verify these gate passes and did undue

favours. The transportation of material was shown to be based on fake documents. The District Tender Committee should have cancelled the technical bid of the contractor, but the same was not done. The gate passes related to clusters of contractors namely Telu Ram, Jagroop Singh (Partner/owner of Gurdas Maan and Company) and Sandeep Bhatia were taken from the Department of Food and Supply, Ludhiana. On verification from the District Transport Authority, it was found that many numbers were of scooters, motorcycles and cars. By doing this, officials of the concerned department, committed cognizable offences. The case was registered for the aforesaid related offences. The role of other persons, private or Government officers/officials involved in the fraud, was to be assessed during course of investigation. With this background, the case was registered.

[7]. Learned Senior Counsel for the petitioner contended that the FIR is the result of *mala fide* as the complainant Gurpreet Singh could not get the tender during the year 2021. The complainant along with Vigilance Officer held a press conference on 16.07.2022, making the allegations forming subject matter of FIR. The press conference was held by the complainant at the instance of Vigilance Bureau for political reasons to implicate the petitioner and others in the present case. Petitioner was Food and Supply Minister at the relevant time when Punjab Food and Labour and Cartage Policy 2020-21 was issued. The policy was drafted by the Government and

was approved by the Finance Department and Cabinet of the Punjab Government after examining all the relevant clauses. The policy was challenged through CWP No.10707 of 2020 titled Sushil Kumar Vs. State of Punjab and others. The said writ petition was dismissed and Clause 5(ii)(G) was upheld. Framing of policy was held to be the prerogative/domain of executive. The Policy was upheld vide order dated 28.07.2020. Learned Senior Counsel further submitted that despite repeated police remand, nothing incriminating could be recovered from the petitioner. Now the petitioner is in judicial custody and his interrogation is no more required for further investigation in the case. The Police has registered the present FIR without complying with the provisions of Section 17-A of the PC Act. The allegations are in respect of formation of policy which was approved by the Finance Department as well as Punjab Government. No investigation could have been conducted without approval from the competent authority. The Investigating Agency is also required to follow SOP (Standard Operating Procedure) issued by the Union of India on 03.09.2022 in respect of compliance of Section 17-A of the PC Act.

[8]. As per Clause 8 of the said Policy, District Tender Committee was to be constituted for calling tenders of labour, cartage and transport, The committee was to be headed by Deputy Commissioner of the District or any officer nominated by him not less than the rank of Deputy Director Food and Civil Supplies

Department. The Committee was to include District Managers of all Food Procuring Agencies including FCI and District Controller, Food and Civil Supplies. The tender of Gurdas Maan and Company was accepted by the District Tender Committee. The aforesaid company had three partners including Telu Ram.

[9]. The FIR has been registered with the allegations that the District Tender Committee has accepted the tender of Telu Ram and others despite the fact that these contractors had given list of vehicles containing fake numbers of scooters, motorcycles and cars etc in place of trucks. When gate passes were verified, the same were found to be of scooters, motorcycles and cars etc. The Tender Committee without verifying the aforesaid facts, issued the tenders and the material was misappropriated on the basis of fake reporting.

[10]. Due to change in Clause 5(C) of the Policy 2020-21, the capacity/turn over of the cluster was increased and the competition was reduced. Due to rise in rates of some clusters, many contractors could not take part in the process.

[11]. During investigation, Telu Ram was arrested by the police on 16.08.2022 and his disclosure statement was recorded. During his interrogation, he has stated that he was introduced to Bharat Bhushan Ashu (Minister) by accused Pankaj Malhotra @ Meenu Malhotra, Personal Assistance of the Minister, for which, Pankaj Malhotra @ Meenu Malhotra took Rs.6 lacs and thereafter, Telu Ram met the Minister. The Minister suggested Telu Ram that he

should meet Sh. R.K. Singla, Deputy Director, Food and Civil Supplies Department and he also gave call to him with an assurance that he would get the work allotted to Telu Ram, provided that Telu Ram does work according to Sh. R.K. Singla. Telu Ram further disclosed in his disclosure statement that Sh. R.K. Singla demanded Rs.30 Lacs from him for allotting tender in his favour and ultimately, Telu Ram paid Rs.20 lacs to him (the said amount was to be further paid by Sh. R.K. Singla to the Minister), Rs.3 lacs to Harveen Kaur, DFSC (East) and Rs.2 lacs and one mobile to Sukhwinder Singh Gill, DFSC (West). Telu Ram was allotted four tenders after this deal. Telu Ram also got recovered one diary from his residence, containing details regarding bribe money paid by him. The *modus-operandi* of all concerned came to fore on the basis of these facts.

[12]. The investigation further revealed that manipulation was done by the officials to make successful bids of the contractors of their own choice for unlawful consideration and on the asking of the person, who was at the helm of affairs at that time. Undue financial benefits were given to the contractor for ransom. Contractor Jagroop Singh got successful in getting the tender of cluster of 2020-21. He overloaded the trucks and transported the food grains to the godowns of the Government. On verification, the manipulation came to fore. The list uploaded by Jagroop Singh at the time of tender was found containing numbers of vehicles, which were not of trucks, rather these numbers were found to be of scooters, motorcycles and

cars etc.

[13]. The gate passes of contractor Sandeep Bhatia were also verified and it came on record that bogus gate passes were created. The gate passes showed that approximately 1900 bags were transported on motorcycles or scooters. The contractors were selected by the Minister being his favourites with the help of Sh. R.K. Singla and other officials.

[14]. As per Note V of Clause 5(E) of The Punjab Food Grains Transportation Policy 2020-21, ***“if the registration numbers of trucks uploaded/submitted by the tenderer are found to be fake at any stage, tender of the tenderer shall be rejected/cancelled and such tenderer shall be liable to face strict consequential action including blacklisting/debarment for a maximum period of three years and registration of criminal case.”*** The District Tender Committee was to verify the documents submitted in support of tenders by the bidders at the time of opening the technical bids, but no such verification of the vehicles was done due to connivance of Minister and other employees under his command. The tenders were given in violation of the terms and conditions of the policy. The contractors should have been ousted from the tender bids, but they were allowed to continue with the tender process and they were rather successful due to some unholy alliance.

[15]. The investigation of the case so far showed that Sh. R.K. Singla was appointed as Assistant Director, Food and Supplies

Department and was also given the charge of Chairman, Central Vigilance Committee on the asking of the Minister. Sh. R.K. Singla was facing serious allegations and was issued charge-sheets in five cases for causing financial loss of Rs.85 crores to the State exchequer. In one case, the allegations were even in respect of getting PR in illegal manner. Sh. R.K. Singla sought voluntary retirement, which was not allowed by the Principal Secretary, Food, Civil Supplies and Consumer Affairs, Department and was thus rejected on 09.08.2017. Since Sh. R.K. Singla was blue eyed boy of the Minister, therefore, the Minister got him appointed on a plump posting so that he can be of great use to him.

[16]. As per orders of the competent authority, disciplinary proceedings were initiated against aforesaid R.K. Singla under Rule 8 as well as Rule 10 of The Punjab Civil Services (Punishment and Appeal) Rules, 1970 in the following cases:-

Sr. No.	Case Detail	Proceeding initiated	Date/No. of issuance	Financial loss involved (Appx.)
1.	Raiyaa, Amritsar case regarding irregularities in wheat distribution	Charge sheet issued under Rule-8	<u>1042985/4</u> 11.08.2017	Rs.10 Cr. (Approx.)
2.	Banga, Nawanshahr	Issued SCN under Rule-10	<u>939300/1</u> 15.03.2017	Rs.25 Cr. (Approx.)

3.	Tarn Taran case of wheat damage	Issued SCN under Rule-10	<u>1034547/1</u> 01.08.2017	Rs.50 Cr. (Appox.)
4.	PR (Canada) in illegal/unauthorized manner	Issued charge sheet under Rule-8	<u>10747/2</u> 22.09.2017	-
5.	Failure to file Income Tax Return as DDO-cum-DFSC Jalandhar	Charge sheet is being issued soon in near future	-	Penalty of Rs.5 Lakhs (Appox.)
6.	Delivery of wheat without RO	Clarification is being sought soon in near future	-	Rs.61 Lakhs (Appox.)

[17]. Investigation further revealed that the sequence of the events show that the intention of Sh. R.K. Singla was to get himself relieved from the service so as to keep himself insulated from departmental action. He got issued three months notice in order to get rid of Government job because of his involvement in the wheat distribution malpractices which came to fore at Amritsar, leading to several Food Supply Inspectors getting suspended and many major penalties and disciplinary proceedings were initiated. He was aware of his involvement and likely result thereof. Charge-sheet was issued against him in case of Raiya Wheat Distribution Scam at Amritsar. Sh. R.K. Singla was manipulating the issue of his holding the Permanent Residency of Canada knowing fully that a person holding

a permanent residency can anytime repatriate capital to the country of his residency. He was found involved in several cases of diversion of wheat distribution under National Food Security Act. He could not be let off by just accepting his bank draft. In such circumstances, chances of transfer of illegal money getting transferred to foreign countries cannot be ruled out being a Hawala affair.

[18]. During course of investigation, Department of Food and Civil Supplies and Consumer Affairs was asked to provide the record regarding estimated loss of Rs.25 crores in Banga and Nawanshahr and regarding appointment of Sh. R.K. Singla, Assistant Director as Chairman of CVC and the file relating to allotment of Labour and Transport Policy work to Sh. R.K. Singla. It has been reported that the aforesaid files are not available on record and have been misplaced. A complaint has been submitted to Senior Superintendent of Police, Chandigarh vide memo dated 29.08.2022.

[19]. The investigation has further revealed that the Department of Food & Civil Supplies and Consumer Affairs has provided the notings and orders passed on the office file in respect of appointment of Sh. R.K. Singla, Deputy Director being Chairman of CVC. The copy of order-sheet bearing signature of the Minister was found containing allocation of work to the officers of Food Supplies including Dr. Rakesh Kumar Singla, Assistant Director at serial No.6 for appointment as Chairman of CVC in place of Ms. Simarjot Kaur, JD. Draft orders dated 22.06.2018 were found in this regard. Sh.

R.K. Singla was also given additional charge of Labour and Transportation Policy work as per order dated 02.01.2019 having endorsement dated 04.01.2019. Thereafter, Sh. R.K. Singla was given additional charge of inspection of wooden crates as per order dated 18.02.2019 having endorsement dated 20.02.2019. The aforesaid features came to be published in the newspaper on 04.07.2018.

[20]. Call details of Telu Ram with R.K. Singla, Telu Ram with Pankaj Malhotra @ Meenu Malhotra (Personal Assistant of the Minister), R.K. Singla with Inderjeet Singh @ Indi (Personal Assistant of the Minister) and call details of R.K. Singla with the Minister would show that the private contractors were in touch with the Minister and higher officials of the Department as well as staff of the Minister.

[21]. Status of the Investigation as on date would show the following facts:-

1. Telu Ram (Contractor) has been arrested on 16.08.2022.
- 2 Jagroop (Contractor) has not been arrested.
3. Sandeep Bhatia (Contractor) has not been arrested.
4. M/s Gurdas Maan and Company (firm of the contractor) showing names of accused No.1 to4 nominated in the FIR.
5. Pankaj Malhotra @ Meenu Malhotra (PA to the Minister) has not been arrested.
6. Minister Bharat Bhushan @ Ashu (petitioner) has been arrested on 22.08.2022.

7. Rakesh Kumar Singla, the then Assistant Director, Food and Civil Supplies (Chairman CVC) has not been arrested.
8. Harveen Kaur, the then DFSC (East) Ludhiana has not been arrested.
9. Sukhwinder Singh Gill, the then DFSC (West) Ludhiana has not been arrested.
10. Inderjit @ Indi (PA to Minister) has not been arrested.
11. Surinder Kumar Dhoti Wala (owner of the rice mill/Commission Agent) has not been arrested.
12. Krishan Lal Dhoti Wala (owner of rice mill/Commission Agent) has been arrested on 15.09.2022.
13. Mahavir Bansal (Commission Agent) has not been arrested.
14. Anil Jain (Commission Agent) has not been arrested.
15. Kalu Ram (Commission Agent) has not been arrested.
16. Jagandeep Singh Dhillon (Ex-DM PUNSUP) has not been arrested.
17. Surinder Kumar Beri, DFSC (Retd.) has not been arrested.

The accused from serial No.5 to 17 have been nominated during course of investigation.

[22]. On the basis of disclosure statement of Telu Ram and on the basis of entries in the pocket diary, Sh. R.K. Singla (Assistant Director, Food and Civil Supplies, Pankaj Malhotra @ Meenu

Malhotra (PA to Minister Bharat Bhushan @ Ashu, Sukhwinder Singh Gill, DFSC (District Tender Committee Member), Harveen Kaur, DFSC (District Tender Committee Member) and Bharat Bhushan @ Ashu (Ex. Minister/petitioner) have been nominated in the case.

[23]. During investigation, Inderjeet Singh @ Indi (PA to Minister) has also been nominated as an accused as he was found leaving his house with black colour bag picked from the house of Minister on 22.08.2022. During investigation, it has been found that 6 properties have been identified involving the interest of Minister through Pankaj Malhotra @ Meenu Malhotra or his relatives. It has also been found during course of investigation that clusters have been formed intentionally with the choice and instead of forming small clusters, big clusters have been formed and therefore, mandis were attached to the shellers situated at far away places instead of nearby shellers. On doing so, choiced sheller owners have been considered for storage of food grains. As per Punjab Government's Milling Policy, Commission Agents/Aartiyas cannot store the food grains in their own shellers or shellers related to blood relation. As per Mandis of cluster Mullanpur which belongs to Telu Ram, Labour Cartage Contractor, the storage of food grains was made in the shellers of Surinder Kumar Dhoti Wala, Krishan Lal Dhoti Wala, (Aartiyas), Mahavir Bansal (Aartiya) and Anil Jain (Aartiya). The above mentioned Aartiyas along with some traders from other States, used

to bring the food grains at a lower rates from outer States without MSP and sell at higher rates in Punjab with MSP. These illegalities have been committed by the officers of the Food Supplies, Department and the Food Grains Procurement Agencies in connivance with Sh. R.K. Singla, Minister and others. It has also been found during investigation that Kalu Ram Goyal has formed group of persons including some people from UP and they are involved in the business of bogus billing. The said Kalu Ram Goyal is close associate of Sh. R.K. Singla, Assistant Director. The investigation is still in progress.

[24]. During investigation till date, it has come to fore that the accused contractors in connivance with each other, got inserted their scooters, motorcycles, cars etc in their gate passes and received payment in respect of bogus gate passes in order to cover quantity of food grains in papers and when actual delivery of wheat is to be made, then shortage is fulfilled by mixing the inferior quality of wheat purchased at lower rates with good quality of wheat. The advantage has also been taken in respect of increased weight of wheat with the effect of moisture. Paddy has been sold by the sheller owners in the open market at high price and during the delivery of paddy, the sheller owners purchased paddy from the markets of outer States at lower rates and mixed the same with good quality of paddy in order to fill up the shortage and thereby, causing huge financial loss to the Government exchequer. In this manner, Surinder Kumar Dhoti Wala,

Krishan Lal Dhoti Wala (Aartiyas), Mahavir Bansal (Aartiya), Anil Jain (Aartiya), Kalu Ram, Jagandeep Singh Dhillon, General Manager PUNSUP and Surinder Kumar Beri, DFSC (Retd.) have been nominated as accused.

[25]. The arguments raised by the learned Senior Counsel for the petitioner on the basis of *mala fide* and requirement of Section 17-A of the Prevention of Corruption Act have been countered by the learned State counsel duly assisted by learned counsel for the complainant and victim on the ground that matter is still under investigation and report under Section 173 Cr.P.C has not been filed so far.

[26]. Learned State counsel duly assisted by learned counsel for the complainant and victim has made reference to the difference of KMS Paddy between 2019-20 (Cartage) to 2020-21 (Cartage) in respect of District Ludhiana to the tune of Rs.3,31,85,564/- and RMS Wheat for the same period to the tune of Rs.88,56,998/-. Similarly, difference of KMS Paddy (Labour 2019-20 and Labour 2020-21) is to the tune of Rs.1,66,19,842 and RMS Wheat for the same period is to the tune of Rs.52,71,930. Difference of KMS Paddy for 2019-20 (Transport) and 2020-21 (Transport) is to the tune of Rs.1,74,47,975 and for RMS Wheat for the same period is to the tune of Rs.1,46,90,140/-. By referring to the aforesaid, learned State counsel submitted that computation qua the entire State (District wise) would increase the tally to multiple crores of rupees and this has been done

only due to connivance between the Minister, officers, contractors and aartiyas.

[27]. During investigation, it has been found that the owners of the rice mills during the milling used to shell the rice and further sell in the open market, which they were supposed to give back to the Government. As per the policy, out of 100% raw paddy, 67% of finished rice is to be milled by the rice mill owner. In other words, out of 100 bags of paddy given to the rice miller, 67 bags/finished rice have to be given back to the Government and in lieu of job work of shelling the rice from paddy, the rice miller is to keep the buy products like rice husk, rice brane and broken rice etc with him. The accused have sold 67% of shelled rice in open market at a higher cost without following the rules and thereafter, in order to cover up the shortage and in order to make good the deficiency in respect of 67%, they used to mix the lower quality rice, which they had brought from other States without MSP. The rice millers have given back 67% of inferior shelling rice in connivance with the accused and huge illegal consideration has been received in this process. Sh. R.K. Singla and others used to take bribe to clear the samples of these mixed 67% of rice bags of inferior rice. The accused were operating in tandem, which shows huge corruption which is under investigation.

[28]. Krishan Kumar Dhoti Wala has been arrested on 15.09.2022 and recovery of approximately 2000 empty bags of rice

brought from Bihar, UP, Hayrana having endorsement of the year 2020-21 has been made from the premises of the rice miller. The disclosure statement of Krishan Kumar Dhoti Wala has been recorded, which is a fact evidencing that a great loss to public exchequer has been caused by the accused persons. Many complaints have been received by the Vigilance Bureau involving different persons and the Vigilance Bureau is investigating the case viz-a-viz the involvement of the Minister (petitioner) and other connected persons.

[29]. I have heard learned counsel for the parties.

[30]. The arguments raised by learned Senior Counsel have been replied by learned State Counsel duly assisted by learned counsel for the complainant and victim on the basis of material collected by the Investigating agency so far. According to the learned State counsel, investigation is still in progress. The release of the petitioner may hamper the pending investigation.

[31]. Though both the parties have tried to argue the case on merits, but any observation made by this Court on merits during investigation of the case, may prejudice the case of either sides.

[32]. Admittedly, the investigation is still in progress. FIR relates to economic offences. Economic offences constitute a distinct class which is a class apart and need to be visited with a different approach in the matter of bail. The economic offence having deep rooted conspiracies and involving huge loss of public funds, needs to

be viewed seriously and considered as grave offences affecting the State exchequer and economy of the country as a whole and thereby posing serious threat to the financial health of the country. The issue of granting bail by the Court should be based on nature of accusations, material collected by the investigating agency and other components like severity of punishment which ultimate conviction may entail and attending circumstances which are peculiar to the accused. Reference can be made to the ratio laid down in **Y.S. Jagan Mohan Reddy Vs. Central Bureau of Investigation, 2013(3) RCR (Criminal) 108.**

[33]. In view of aforesaid, grant of regular bail at this stage, may prejudice the pending investigation. Evidently, many accused are still to be arrested in order to unearth the big scam involving crores of rupees and therefore, the prayer for regular bail is declined.

[34], CRM-M No.42290 of 2022 is accordingly dismissed.

[35]. So far as prayer for anticipatory bails on behalf of Sandeep Bhatia, Jagroop Singh, Surinder Kumar and Anil Jain are concerned, the same are sought to be argued by learned Senior Counsel for the petitioners on merits with reference to role of the petitioners therein at this stage.

[36]. Learned State counsel on the basis of material collected so far submitted that grant of anticipatory bail in economic offences has to be on exceptional note. The power under Section 438 Cr.P.C has to be sparingly exercised being an extraordinary power. The judicial

discretion conferred upon the Court has to be judiciously exercised after due application of mind as to the nature and gravity of accusation. The grant of anticipatory bail to some extent interferes in the area of investigation. The Court must be circumspect while exercising such power for grant of anticipatory bail in economic offences. The right of anticipatory bail is not an absolute right and is not a part of Article 21 of the Constitution of India. The economic offences stand as a different class as they affect the economic fabric of the society. In economic offences, the accused is not entitled to anticipatory bail in a routine manner. The grant of anticipatory bail at this stage of investigation, may frustrate the investigating agency in interrogating the accused and in collecting the incriminating information and also the material which might have been concealed.

[37]. Grant of anticipatory bail, particularly in economic offences would definitely hamper the investigation of the case. The plea of the petitioners in respect of purchase of *bardana* as per prescribed limit/authority and confirmation of the same by the competent authority would be subject to evidence to the contrary collected by the police, for which custodial interrogation of the accused is required. Reference can be made to **P. Chidambaram Vs. Directorate of Enforcement, 2019(4) RCR (Criminal) 875** and **Gurdev Singh Syan Vs. State of Punjab, 2018(1) RCR (Criminal) 857.**

[38]. At this stage, without making any opinion on the merits of

the case, it can be observed that the custodial interrogation of the petitioners is required for effective investigation of the case. While deciding the case for grant of anticipatory bail, the Court should avoid detailed discussions regarding material on record, lest it may prejudice the case of either of the parties. Present scenario relates to the economic offences, particularly offences related to public money in Government Departments under Prevention of Corruption Act, therefore, the Court cannot adopt any routine approach.

[39]. The information supplied by the State in sealed cover is nothing but an elaboration of facts as pleaded in the replies filed by way of affidavits, therefore, the same is made part of the record. Moreover, in CRM-M No.45678 of 2022, learned State counsel has already supplied the material to learned counsel for the petitioner therein in view of order dated 10.10.2022.

[40]. For the reasons recorded hereinabove, there is no ground to grant concession of anticipatory bail to Sandeep Bhatia, Jagroop Singh, Surinder Kumar and Anil Jain. CRM-M Nos.41913, 41915, 45678 and 46641 of 2022 are accordingly dismissed.

17.10.2022	(RAJ MOHAN SINGH)
Prince	JUDGE
Whether reasoned/speaking	Yes/No
Whether reportable	Yes/No