

IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH

CRM-M-21478-2023 (O&M)

Date of Decision: 28.02.2024

Rahul Anand ...Petitioner

Versus

State of Haryana ...Respondent

CORAM: HON'BLE MR. JUSTICE GURVINDER SINGH GILL

Present: Mr. R.S.Cheema, Senior Advocate, with  
M/s G.S.Bedi, SS.Kang, Arjun Dewan and Akash Arora,  
Advocates, for the petitioner.

Mr. Rajiv Sidhu, DAG, Haryana,  
assisted by ASI Vinod.

| FIR No. | Dated      | Police Station                      | Section/s                                                                                               |
|---------|------------|-------------------------------------|---------------------------------------------------------------------------------------------------------|
| 256     | 21.12.2021 | P.S. Shahzadpur,<br>District Ambala | Sections 120-B, 406, 409,<br>420, 468, 471 IPC (Section<br>467 IPC added subsequently<br>on 24.01.2023) |

GURVINDER SINGH GILL, J. (Oral)

1. The petitioner seeks grant of regular bail in respect of aforementioned FIR.
2. The FIR in question was lodged at the instance of Ashok Verma, General Manager, Ambala Central Co-operative Bank Ltd., Ambala, wherein it is alleged that the petitioner in connivance with the Directors and other officials of Naraingarh Sugar Mill Ltd., Naraingarh (in short hereinafter referred to as NSML) had misappropriated huge amount of money. It is alleged that Haryana State Cooperative Bank (HARCO Bank)/District Cooperative Central Bank (DCCB) had advanced loan to NSML for

clearance of dues to be paid to farmers on account of supply of sugarcane. The amounts advanced were as follows:-

(i) Loan Agreement dated 13.11.2015

Financial Year 2014-15 – Rs.34.10 Crores

Financial Year 2015-16 – Rs.11.11 Crores

(ii) Loan Agreement dated 19.09.2019

Financial Year 2018-19 – Rs.60 Crores

3. It is alleged that the outstanding dues were Rs.98.65 crores, apart from an interest of Rs.25.16 crores. Upon an audit of accounts conducted pursuant to directions of Haryana Government, it was revealed that in fact it was an amount of Rs.121.21 crores, which had been siphoned off by the Controlling Management.
4. It is the case of prosecution that during the Financial Year 2014-15, Management had withdrawn cash of Rs.77.50 Crores, but disbursed only Rs.63.37 Crores to farmers and similarly in Financial Year 2015-16, cash withdrawn by the Management was Rs.50.87 Crores, but only Rs.42.02 Crores was disbursed to Farmers. Petitioner allegedly sold molasses (a by-product of process of producing sugar from sugarcane) unauthorizedly without raising any bills and shortage of 2545.45 quintals was found. As per the agreement dated 30.09.2016, NSML was supposed to refund the revenue of energy by 30% to HARCO Bank and 70% to IREDA, but from year 2018-19 to 2020-21, the Management of NSML used it for their own purposes. Petitioner alongwith co-accused purchased Bio-mass from his associated entities at higher rate of Rs.3200/MT, whereas the market price is Rs.1500/MT. NSML has given Head Short Term Loans

- and Advances to Rahul Sales Ltd. in which petitioner is a Director i.e. during Financial Year 2014-15 for Rs.25.42 Crores, Financial Year 2017-18 for Rs.36.45 Crores and Financial Year 2018-19 for Rs.18.65 Crores. Sugar stock of NSML was reduced from Rs.59.5 Crores to Rs.4.06 Crores from Financial Year 2017-18 to 2018-19. Cash in hand was reduced from Rs.10.5 Crores to Rs.11 lacs only. Amount of Rs.81 Crores was pending to be recovered from various companies which was given as advances. It is also alleged in the FIR that when all the accounts of company (NSML) were audited then books, stocks, entries in the registers and transactions were not found in consonance. It is also alleged that petitioner used an amount of Rs.2.86 Crores as TA/DA from NSML for his personal use. As per the FIR, Rs.7 Crores was spent on legal fees by NSML which was siphoned off by the petitioner for his own use.
5. Learned senior counsel appearing on behalf of the petitioner submitted that the petitioner has been behind bars since the last more than 2 years and till date even the charges have not been framed. It has been submitted that in any case even if the trial commences, conclusion of the same would take time inasmuch as 65 PWs have been cited by the prosecution.
6. Opposing the petition, learned State counsel has submitted that having regard to the enormity of fraud, wherein the petitioner alongwith co-accused has committed a fraud to the tune of Rs.123 crores, no case for grant of bail is made out. It has further been submitted that the petitioner is involved in 2 more cases i.e. FIR No.228 dated 14.09.2022 registered

at P.S. Shahzadpur, District Ambala, under Sections 406, 420, 120-B IPC and another relating to the Enforcement of Directorate and that the petitioner apparently is incorrigible and does not deserve the concession of bail. Learned State counsel has not disputed the fact that the petitioner has been behind bars since the last more than 2 years and charges are yet to be framed and that as many as 65 PWs have been cited.

7. This Court has considered rival submissions.
8. Without commenting anything as regards the merits of the case, but having regard to the long custody of the petitioner and the fact that the trial has not even commenced till date and a large number of PWs have been cited, further detention of the petitioner will not serve any useful purpose as the conclusion of trial will take some time. The petition, as such, is accepted and the petitioner is ordered to be released on regular bail on his furnishing bail bonds/surety bonds to the satisfaction of learned trial Court/Chief Judicial Magistrate/Duty Magistrate concerned.
9. The learned trial Court/Chief Judicial Magistrate/Duty Magistrate concerned is at liberty to insist upon immoveable property to be furnished as security as well as some liquidable security. It shall also be open to the trial Court to impose any kind of condition so as to ensure regular appearance of the petitioner before the trial Court on the dates as may be fixed.

**28.02.2024**

Vimal

**(GURVINDER SINGH GILL)  
JUDGE**

Whether speaking/reasoned: **Yes/No**  
Whether reportable: **Yes/No**