



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

Serial No. 208

Decided on:09.12.2025

1) CRM-M-8856-2025 (O&M)

Neelima . . . Petitioner

Versus

State of Punjab and another . . Respondents

AND

2) CRM-M-9734-2025

Ashima Aggarwal . . . Petitioner

Versus

State of Punjab and others . . Respondents

AND

3) CRM-M-42709-2025

Narinder Singh . . . Petitioner

Versus

State of Punjab and another . . Respondents

CORAM: HON'BLE MR. JUSTICE TRIBHUVAN DAHIYA

Present: Mr. R. S. Cheema, Senior Advocate with
Mr. Arshdeep Singh Cheema, Advocate,
Mr. H. S. Oberoi, Advocate and
Mr. Ishan Khetarpal, Advocate
for the petitioner in CRM-M-8856-2025.



Mr. P. S. Ahluwalia, Senior Advocate with
Ms. Keerat Dhillon, Advocate
for the petitioner in CRM-M-42709-2025.

Mr. Jaskirat Singh, Advocate
for the petitioner in CRM-M-9734-2025.

Mr. Satjot Singh Chahal, Assistant Advocate General, Punjab.

TRIBHUVAN DAHIYA, J.(ORAL)

These petitions have been filed seeking quashing of FIR No. 01 dated 05.01.2023, under Sections 409, 420, 465, 467, 468, 471, 120-B IPC and Section 13(1) (A) read with Section 13(2) of the Prevention of Corruption Act, 1988 [amended by the Prevention of Corruption (Amendment) Act, 2018] (Section 201 IPC added later on), registered at Police Station Vigilance Bureau, FS-1, Punjab, SAS Nagar, along with consequential proceedings *qua* the petitioners. The petitioners are accused of misusing their official positions to extend undue favours to owners of Gulmohar Township company by approving bifurcation of twelve plots into over hundred smaller plots.

2. Learned counsel for the petitioner(s) contend that twelve accused earlier approached this Court by filing separate quashing petitions which were decided along with CRWP-3500-2023, vide judgment dated 20.12.2024. It was found that criminal proceedings in the case had been initiated on the basis of a pseudo compliant made by one Navjot Singh-Congressman, whose identity/credentials were not known, and that complainant/ Vigilance Bureau had misused its powers in registering the FIR in question without any basis, just to harass and humiliate the petitioners. Accordingly, continuation of proceedings pursuant thereto were held to be complete misuse of the process of



law, and the FIR *qua* the petitioners were quashed. The observations made by the Court in this regard vide judgment dated 20.12.2024, are as under:

8.14 On 24.03.2021, petitioner-Gulmohar Township was granted permission by PSIEC to bifurcate/fragment plot in question into 125 plots.

8.15 Even in response to the letter dated 07.09.2021 of Vigilance Bureau, Secretary, Industries & Commerce Department, Government of Punjab vide letter dated 05.10.2021 (P-11 in CRWP-3499-2023) replied that the Departmental Committee had thoroughly scanned and probed each and every accusation and the same were found to be baseless.

8.16 Thus, the allegations contained in the FIR are based on mere conjectures. The bifurcation/fragmentation of plot in question into 125 plots was allowed by the PSIEC as per Policy dated 08.02.2005 (P-39 in CRWP-3499-2023); which is continuously being followed in the entire State of Punjab and more than 100 plots have been bifurcated/fragmented in the State under this policy and for reference, clause No.10(g) of the same, being relevant, is extracted here as under:-

“10(g) Resolved to allow bifurcation/fragmentation of all industrial plots (excepting semi-developed pocket) in different Focal Points including Mohali in the sizes 1000 Sq. Yds and above by charging the fees as proposed in the agenda with the condition that no fragmented/bifurcated portion(s) should be below 400 Sq. Yds. However, the internal development shall be the sole responsibility of the plot holders at their risk and cost. In these cases where original allotments were made by clubbing the plots, de-clubbing shall be permissible irrespective of the sizes. Transfer/bifurcation fees shall be chargeable on fragmented portion only payable at the time of seeking bifurcation/fragmentation. Moreover, no separate transfer



fees will be charged for the first transfer of ownership of the fragmented/bifurcated portion of the plot.”

In view of above, the decision in present case for allowing bifurcation/fragmentation of plot in question by the PSIEC has rightly been accepted by the Government of Punjab, Department of Industries vide letters dated 05.10.2021, 15.12.2022 and 11.01.2023 (P-11, P-12 and P-26, respectively in CRWP-3499-2023).

8.17 Once it is established that the decision to fragment the plot in question was validly taken by the PSIEC while following due procedure, then it is absolutely wrong to allege that any special favour was extended to the petitioner- Gulmohar Township and/or any loss was caused to the State Exchequer and as such, there was no occasion to register an FIR by the Vigilance Bureau.

3. In the instant cases, the petitioner(s) in CRM-M-8856-2025 and CRM-M-9734-2025 are accused of being member(s) of the Committee which allowed bifurcation of the plot in question into smaller portions in favour of one of the accused-Gulmohar Township India Pvt. Ltd. The petitioner in CRM-M-42709-2025 was Deputy Director Factories, Mohali. He is accused of having misused his official position to extend undue advantage to the owners and directors of Gulmohar Township Company by approving de-registration of the factory belonging to M/s Phillips India Ltd., the original owners of land, without approval of the Government in 2019. The whole process of bifurcation/fragmentation has been found in order by the Court vide judgment aforementioned, dated 20.12.2024.

4. The respondents have decided to accept the judgment aforementioned and have decided not to challenge the same in the Supreme



Court. They have filed a reply to that effect by way of affidavit dated 12/19.11.2025, which reads as under:

3. That as per the allegations mentioned in the FIR, the present petitioner in collusion with co-accused is alleged to have misused her official position to extend an undue advantage upon the owners and directors of Gulmohar Township Company by approving the proposal to bifurcate 125 plots from 12 plots.
 4. That subsequently, 12 other similarly placed accused persons challenged the present FIR by filing "CRWP-3500 of 2023" along with other similar petitions. The Hon'ble High Court, vide its detailed order dated 20.12.2024, pleased to quash FIR No. 1 (supra) qua those 12 accused persons. In its judgment, The Hon'ble High Court held that the decision to fragment the plot in question was validly taken by PSIEC while following due procedure and members of departmental committee had discharged their duties with due diligence in accordance with law while submitting their report for approval of bifurcation/fragmentation.
 5. That the Vigilance Bureau, Punjab, after due consideration, has decided not to challenge the order dated 20.12.2024 passed by this Hon'ble High Court by way of a Special Leave Petition before the Hon'ble Supreme Court of India.
 6. That the state has decided that the case running in Vigilance Bureau shall be treated as closed because of decision at the highest level of Government.
5. In view of the facts enumerated hereinabove, it is apparent that the accusations against the petitioners are identical to the ones attributed to the co-accused against whom the FIR in question has already been quashed by this Court, vide judgment dated 20.12.2024, and the findings thereof have been accepted by the respondents deciding to close the case on that account.



6. Accordingly, the petitions are allowed and FIR no.01, dated 05.01.2023, registered under Sections 409, 420, 465, 467, 468, 471, 120-B IPC and Section 13(2) of the Prevention of Corruption Act, 1988 (Section 201 IPC added later on) at Police Station Vigilance Bureau, FS-1 Punjab, SAS Nagar, alongwith all consequential proceedings arising therefrom are quashed *qua* the petitioners.

7. A photocopy of this order be placed on the case file(s) of connected matter(s).

09.12.2025

Mehak

(TRIBHUVAN DAHIYA)
JUDGE

Whether reasoned/speaking? Yes/No
Whether reportable? Yes/No