

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

**CRM-M-51341-2025
Reserved on: 20.11.2025**

Pronounced on: 04.12.2025

Uploaded on: 04.12.2025

Bikram Singh Majithia

....Petitioner

Versus

State of Punjab

....Respondent

CORAM: HON'BLE MR. JUSTICE TRIBHUVAN DAHIYA

Present: Mr. R.S. Cheema, Senior Advocate, with
Mr. D.S. Sobti, Advocate,
Mr. A.S. Cheema, Advocate,
Mr. Satish Sharma, Advocate,
Mr. Siddharth Bhukkal, Advocate,
Mr. Sultan Singh Sangha, Advocate,
Mr. Paras Jhamb, Advocate,
Ms. Sheenam Kamboj, Advocate, and
Mr. Prince Bharol, Advocate, for the petitioner.

Mr. Maninderjit Singh Bedi, Advocate General, Punjab, with
Mr. Chanchal K. Singla, Additional Advocate General, Punjab,
Mr. Madhur Sharma, Deputy Advocate General, Punjab,
Mr. Satjot Singh Chahal, Assistant Advocate General, Punjab,
and Ms. Kavita Joshi, Advocate, for the respondent.

TRIBHUVAN DAHIYA, J.

The petition has been filed for grant of regular bail in case FIR
No.22 dated 25.06.2025, registered under Sections 13(1)(b) read with
Section 13(2) of the Prevention of Corruption Act, 1988, as amended by
Prevention of Corruption (Amendment) Act, 2018 (hereinafter referred to as
'the PC Act'), at Police Station Vigilance Bureau, FS-1, S.A.S. Nagar.



2. The FIR in question has been lodged on the basis of a report, dated 07.06.2025, of the Special Investigation Team (SIT) investigating an earlier FIR against the petitioner and others, bearing no.2, dated 20.12.2021, registered under Sections 25, 27-A and 29 of the Narcotic Drugs and Psychotropic Substances Act, 1985 (hereinafter referred to as 'the NDPS Act'), at Police Station Punjab State Crime, S.A.S. Nagar. The report mentioned accumulation of more than ₹540 crores of wealth by the petitioner and his wife through illegal entities. The relevant extract of the FIR reads as under:

... In the report of Special Investigation Team bearing No.292/SIT dated 07.06.2025, it has been written that "FIR No. 02 dated 20.12.2021 registered under sections 25, 27-A and 29 of NDPS Act 1985 at Punjab State Crime Police Station, S.A.S. Nagar against Bikram Singh Majithia and others is being investigated by the Special Investigation Team (SIT) and has uncovered substantial evidence indicating acquisition of assets disproportionate to the known sources of income of Bikram Singh Majithia and his wife Ganieve Kaur. That Bikram Singh Majithia has accumulated vast wealth, properties, and business interests in his name or in the name of his family members which appear to be grossly disproportionate to his legitimate income. In the course of investigation the material collected establishes that the assets have been acquired through proceeds of illegal activities and it amounts to illicit enrichment of resources.

In 2007. Bikram Singh Majithia became an elected member of the legislature and subsequently a Cabinet Minister in the State Government of Punjab. Evidence indicates that during his tenure as a Cabinet Minister in the State Government of Punjab, there has been disproportionate increase in the assets

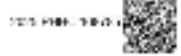


of Bikram Singh Majithia, his wife, wherein they have acquired huge wealth from the unknown and illegal means.

2.1 The FIR further details of ten companies under the petitioner's direct or indirect control where questionable transactions have been noticed. The investigation also revealed that huge cash had been deposited in the bank accounts of Saraya Industries Limited (SIL) during the period the petitioner was Member of Legislative Assembly (MLA) and a Cabinet Minister in the State of Punjab. The amount has allegedly been utilised for acquiring assets; besides, other suspicious entities have been created for siphoning of the money.

3. Mr. Cheema, learned senior counsel for the petitioner contended that the case essentially arises out of the earlier case registered against the petitioner, i.e., FIR No.2 dated 20.12.2021, under Sections 25, 27-A and 29 of the NDPS Act, at Police Station Punjab State Crime, S.A.S. Nagar (hereinafter referred to as 'the NDPS case'). He has been granted regular bail in that case by a Division Bench of this Court vide detailed order dated 10.08.2022, specifically holding that, "*... we are satisfied that reasonable grounds exist to believe that petitioner is not guilty of the offences alleged against him in FIR No.002 of 2021 dt. 21.12.2021 and he is not likely to commit such offences while on bail.*" The order was challenged before the Supreme Court by the State, but the SLP was dismissed on 25.04.2025.

3.1. Learned senior counsel further contends that the companies/entities mentioned in the instant FIR have been thoroughly investigated by the State in the NDPS case as well. In that case the vigilance mentioned the alleged disproportionate assets and cash deposits in the petitioner's as well as the companies' accounts, as drug money. The same

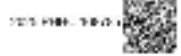


transactions have now been referred to as unaccounted money for registering the case under the PC Act. In this regard, he has made specific reference to the affidavits filed on behalf of the vigilance before the Supreme Court, dated 22.04.2024, 20.07.2024, 16.09.2024 and 10.02.2025, Annexures P-4, P-6, P-8 and P-10, respectively. The affidavits specifically state that the petitioner allegedly facilitated, harbored and financed international drug racket through his co-accused in the NDPS case. He is also alleged to have provided conveyance and premises to them. A huge money trail was allegedly found linking him directly to the offences alleged, and on that basis cancellation of his bail was sought. But the plea was not accepted and, as aforementioned, the SLP was dismissed. Since the State could not get the petitioner's custody in the NDPS case, they thought of making a new case, the instant one, to keep him behind bars. Legally the State was required to add the alleged offences under the PC Act to the NDPS case, if they had any material establishing the petitioner's disproportionate assets. Therefore, lodging of the FIR is illegal. The petitioner is an opposition leader and has been exposing the Government at every stage. It is only to settle personal scores with him that the instant FIR has been lodged in violation of the settled procedure to keep him behind the bars. This, in fact, was an election agenda of the present Government also. The entire exercise is vitiated by *mala fides*. It is further contended that the State has failed to convince the Supreme Court about existence of material against the petitioner so far as the disproportionate assets are concerned, since that was not considered a sufficient ground to cancel his bail in the NDPS case. And the same material could not have been used to lodge a fresh case. It is only to bypass the law



another, (2019) 17 SCC 326, that in case the accused has already been granted the bail, the investigating authority on addition of an offence or offences may not proceed to arrest him, and would require to obtain an order to arrest from the Court which had granted the bail. Therefore, registration of FIR is in violation of the law and abuse of its process. The material, money transactions, cash deposits, the alleged disproportionate assets, can either be drug money or disproportionate assets, as per petitioner's case; it cannot be both. Therefore, there is no basis to lodge the FIR in question. It is an outcome of vendetta politics of the present Government against the petitioner.

3.2. Still further, learned senior counsel contended that the only offence the petitioner is accused of is Section 13(1)(b) read with Section 13(2) PC Act. It is based on presumption against the accused and, therefore, the allegations are to be established during trial and pre-trial incarceration is not required in the case. He also contended that the petitioner has been out of power since 2017, and there is no basis to contend that he will influence the prosecution witnesses and/or hamper the trial in any manner. Similar allegations against him in the NDPS case were not believed by the Division Bench while granting bail, nor could the State persuade the Court for cancelling the bail on those allegations. Even otherwise, the petitioner is already in custody for over five months since 25.06.2025, and investigation is over as the challan/chargesheet against him already stands presented in the Court on 22.08.2025. It runs into about forty thousand pages, and there are 272 witnesses; therefore, there is no possibility of early conclusion of the trial. A statement by the Investigating Officer, dated 26.11.2025, made before the trial Court has also been placed on record which is to the effect



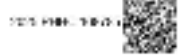
that investigation of this case *qua* the petitioner is complete, however *qua* the role of other accused it is still under progress. Much reliance has been placed upon the Constitution Bench judgment in *Gurbaksh Singh Sibbia and others v. State of Punjab*, (1980) 2 SCC 565, laying down that '*grant of bail is the rule and refusal is the exception*'.

4. *Per contra*, Mr. Singla, learned Additional Advocate General, Punjab, has addressed arguments by referring to reply filed by way of an affidavit, dated 27.10.2025, on behalf of the State. He contended that there is substantial evidence against the petitioner establishing his own enrichment and also that of his family run companies, apart from acquiring assets disproportionate to his known sources of income. He became an MLA in 2007 and, subsequently, a Cabinet Minister holding various important portfolios. Prior thereto, he was running family businesses, including SIL, in the capacity of its Director and shareholder. After joining public office, his family run businesses, including SIL, became cash rich in unprecedented manner. SIL is owned by the petitioner and his family members, the percentage of shareholding is - petitioner (11.63 per cent), Satyajit Singh Majithia (5.29 per cent), Satyajit Singh Majithia (HUF)-43.93 per cent, Gurmehar Singh Majithia (11.63 per cent), Peregrine Saraya Organics Pvt. Ltd. (Co. of father, brother-in-law, father-in-law of brother)-26 per cent, other family members (0.03 per cent), other nominal shareholders (1.49 per cent). The analysis of cash registers of SIL revealed that actual cash deposited in 2007-08 and 2008-09 in its bank accounts was significantly higher to the tune of ₹161.72 crores, more than the cash received in business as per the cash register. There is no explanation for this. The amount was



further utilised for the purpose of acquiring assets and various other entities by siphoning of the money. Some of his companies channelised money through foreign entities resulting in abnormal gains of more than ₹141 crores approximately. These companies, Clearwater Capital Partners (Cyprus) Limited, Xentolar Holding Limited (Cyprus), Sindicatum Captive Energy Singapore Pte. Ltd., primarily based in Cyprus and Singapore, along with their Indian subsidiaries, pumped in around ₹196 crores in the petitioner's companies. An amount of ₹35 crores pumped in by a Cyprus based company was set off for a meagre amount of ₹3.5 crores during the check period, 02.03.2007 to 31.03.2017. Similarly, another amount of ₹134 crores was set off for a meagre amount of ₹51 crores. Nobody would keep on investing huge amounts of money without getting any returns, but the Cyprus based companies and their subsidiaries did that, and despite suffering losses kept on giving money to the petitioner's companies.

4.1. There are other allegations regarding Nawanshahar Power Private Limited (NPPL), a subsidiary of Saraya Renewable Energy Private Limited, which is also a hundred per cent subsidiary of SIL. It was also given ₹22.86 crores by the Cyprus based company and its Indian subsidiaries against equity shareholding of fifty per cent and preference shareholding of ninety-nine per cent. However, later the said shareholding was transferred by the subsidiaries, namely, Sindicatum Solar Energy Gujrat Private Limited and Sindicatum Solar Energy Private Limited in the name of petitioner's mother without any consideration. The petitioner's mother was not having any income and the shares were acquired at 'Nil' price. This



resulted in undue gain of more than ₹141 crore approximately to SIL and NPPL.

4.2. Further, it has been alleged that there is four times increase in the fixed assets of SIL after 2007, whereas neither manufacturing expenses nor sales had been increased in sync with the fixed assets. Another amount of ₹236 crores approximately was credited to the SIL for which there is no explanation in the financial statements. This amount has allegedly been transferred/siphoned off for acquiring benami assets worth crores of rupees. There are several properties acquired by the petitioner from 2007 to 2012, for which there is no explanation of sources of income. He, as well as his wife, is accused of acquiring benami properties through questionable means at Mashobra, Shimla, and Sainik Farms, New Delhi.

4.3. It is also alleged that after the petitioner demitted office as Minister in 2009, there was an abrupt decline in the total cash deposits in his companies which fell drastically to ₹3.5 crores only in that year. Thereafter, upon resumption of ministerial office in March 2012, the same trend of sharp escalation in credit summations became evident. For instance, ₹127.90 crores in 2013 and 2014. The timing and fluctuation of these deposits suggest possible linkage between the petitioner's official position and financial activities of SIL.

4.4. The allegations regarding another company, Patiala Kings Liquor Private Limited (PKLPL), which transferred huge amounts of money to SIL, as mentioned in the status report, are as under:

25. That a company namely Patiala Kings Liquor Pvt. Ltd. has transferred more than Rs.855 crores (approx) to the SIL during the Year 2012-13 and 2013-14. During these two years



the total sale of SIL was Rs.1098 crores (approx) i.e. Rs.546 crores + Rs.552 crores as given in table above. The ledger accounts of SIL in the books of Patiala Kings Liquor Pvt. Ltd. were checked for the Year 2012-13 and Year 2013-14 as there were excessive deposits than sales of SIL in these two years particularly. These payments made to SIL by Patiala Kings Liquor Pvt. Ltd., as per these ledger accounts, were then cross checked with the amounts received by SIL from Patiala Kings Liquor Pvt. Ltd. in their bank accounts. That many deposit entries in bank accounts of SIL were marked to be received from Patiala Kings Liquor based on bank statements provided with full narration and bank receipt books provided which were said to be recovered from SIL premises at Gorakhpur. Total about 31 entries amounting to Rs.74.95 crores received by SIL but are not reflecting in the books of accounts of Patiala Kings, provided by their CA firm. As such these 31 entries are found to be unexplained in nature.

4.5. Regarding Saraya Aviation Private Limited (SAPL), the allegations are as follows:

26. That it has been established that prior to the Year 2012, the shareholding of SAPL was limited only to Sh. Satyajit Singh Majithia and SIL. Both of these entities are directly connected to the petitioner and his family. That subsequent to the Year 2012, SAPL passed a series of Board Resolutions and Allotment Deeds through which shares of the company were purportedly distributed among several new individuals. In Year 2014-15, some new shareholders have been inducted into the business thereby raising the share capital from Rs 900 lacs to Rs 1631 lacs. The new shareholders include Yadvinder Singh Bains, Surjit Singh, Gurpreet Singh, Jasbir Kaur, Rupinder Singh, Dalwinder Singh, Kuljit Kaur, Surjit Kaur, and Major Singh. While Surjit Singh, Gurpreet Singh and Major Singh belongs to Village Mughal Chak, Tehsil Patti, District Tarn-Taran the



others namely Jasbir Kaur, Rupinder Singh, Dalwinder Singh, Kuljit Kaur and Surjit Kaur belong to Village Nangli, Tehsil and District Amritsar. During this Financial Year 2014-15, new aircrafts have been purchased for Rs. 741.66 lakhs, hence, directly proportional to the increase in share capital of Rs. 731 lakhs.

It is further alleged that during course of investigation into the affairs of SAPL, it was found that certain individuals belonging to one family from Village Nangli, Tehsil and District Amritsar, were shown as shareholders. But on questioning they stated that they had no knowledge of shareholding in SAPL in their names; no share certificates were ever received by them from the company in return for the amounts purportedly invested in their names, nor had they attended any meeting of the company. They were not even aware of the company's business or activities.

4.6. During course of investigation into the financial dealings and related entities of the petitioner, records pertaining to Peregrine Saraya Organics Private Limited (PSOPL) were obtained from Registrar of Companies (ROC). Investigations further revealed a pattern of funding between SIL and PSOPL, which has been used for layering of funds and accumulation of assets. SIL has been found to be a principal source of inter-corporate advances to PSOPL and other related entities without taking any services from them.

4.7. Regarding foreign entities, the respondent has mentioned Clearwater Capital Partners (Cyprus) Limited. Many questionable transactions were detected during investigation, some of which are as under:

39. That it was found that in Financial Year 2005-06, SIL received Rs. 35 crore as Share Capital Money from foreign entity M/s Clearwater Capital Partners (Cyprus) Ltd.,



representing a 26% equity stake in SIL. The shares were issued at an extraordinary premium of approximately 3,040% of face value, suggesting a significant capital inflow disproportionate to the company's declared net worth at that time. Subsequently, between Financial Year 2007-08 and Financial Year 2010-11, SIL also received loan amounts from Clearwater Capital Partners India Pvt. Ltd., aggregating to Rs. 105.49 crores, with an additional interest charge of Rs. 41.24 crores reflected in SIL's accounts. Additionally interest of Rs. 49.77 crores was not booked by SIL in its books of accounts in the subsequent years till the date of One Time Settlement. These heavy interest charges and foreign investment structures indicate a complex debt-equity hybrid funding model, potentially used for tax structuring or illicit fund layering.

TRANSFER OF SHARES FROM CLEARWATER TO PSOPL AT GROSSLY REDUCED VALUE

40. In Financial Year 2014-15, the entire 26% shareholding of Clearwater Capital Partners (Cyprus) Ltd. in SIL was transferred to PSOPL at an extreme undervaluation. The sale price for 11,13,800 shares was only Rs. 3.5 crore, equivalent to Rs. 31 per share, implying a loss of approximately 90% over the original investment price. This transfer effectively shifted foreign-held shares back to a domestic, family-controlled entity (PSOPL) at a throwaway price, raising suspicion that the loss was compensated through undisclosed or under-table payments outside the official financial system.

4.8. The investigation has also revealed that the petitioner has adopted questionable means to establish his financial and controlling liquor business in the State, and camouflaged it with benami ownership and corporate structures. In this regard the allegations pertaining to another company, SD Beverages Private Limited (SDBPL), are the following:



57. That investigation has revealed that Bikram Singh Majithia, after becoming Member of Legislative Assembly and subsequently Minister in the Government of Punjab in March 2007, devised a systematic modus operandi to establish his financial and controlling interest in the liquor business of the State while camouflaging the same under layers of benami ownership and corporate structures, Bikram Singh Majithia was one of the directors and shareholders of SIL, a distillery unit situated at Gorakhpur, Uttar Pradesh. To avoid public scrutiny and to conceal his direct involvement in the liquor trade while holding public office, he formally resigned from the directorship of SIL but retained his shareholding therein and control over it. Thereafter, as part of a larger conspiracy to extend the business operations of SIL into Punjab and to circumvent statutory restrictions applicable to public representatives, a new private limited company namely SD Beverages Pvt. Ltd. (herein after referred to as SDBPL) was incorporated on 18.10.2007 with a nominal paid-up capital of Rs. 1,00,000 only, having Gurdeep Singh and Arif Aladdin as its initial directors/ shareholders, who were merely name-lenders and front-men of Bikram Singh Majithia. Subsequent financial and documentary evidence indicates that the land and entire construction cost of the bottling plant of SDBPL was funded from the resources of SIL and other associates of the accused petitioner, clearly establishing a direct nexus between the two entities. As per the records of the Excise Department, the said company has, since its inception in 2007, been engaged in blending and bottling liquor for SIL, thereby functioning as an extension arm of SIL within Punjab.

The scrutiny of bank statements of SDBPL in Axis Bank further revealed cash deposits of ₹29.96 lakh during 2008-09, whereas total sales and other



income of the company for that year was only ₹1.7 lakh. The investigation further revealed as under:

68. That examination of the transaction statements of SDBPL, maintained with Axis Bank bearing Account No. 303010200003117, reveals that the said company had received deposits amounting to several crores of rupees from Harpreet Singh Gulati and Amardeep Singh, and from various concerns and associate entities under their control. The records further indicate that the very same funds were subsequently transferred from the account of SDBPL into the account of Satyajit Singh Majithia (father of the petitioner). The group of Harpreet Singh Gulati and Amardeep Singh comprises six business concerns, namely M/s United Wines, M/s Akash Enterprises, M/s A.D. Enterprises, M/s UW Enterprises Pvt. Ltd., M/s Akash Spirits Pvt. Ltd., and M/s A.D. Enterprises Pvt. Ltd. The pattern of these transactions clearly reflects a structured movement of funds through SDBPL, thereby suggesting its use as an intermediary channel for transferring financial benefits to the family of the petitioner.

The investigators found the financial trail demonstrated that SDBPL was being financed either by Harpreet Gulati Group or SIL; both provided the requisite funds which were subsequently routed through SDBPL to petitioner's father for acquisition of properties situated at Mashobra, Shimla, and Sainik Farms, New Delhi.

4.9. Again there have been transaction trails from M/s Shore to Shore Logistics Private Limited and Harpreet Gulati, which are statedly as under:

70. That another chain of financial transactions has been traced and established, wherein funds have flowed through entities and concerns belonging to Harpreet Singh Gulati and



Amardeep Singh. The transaction trail originates from M/s Shore to Shore Logistics Pvt. Ltd. and Harpreet Gulati, and culminates in a payment of Rs. 21.50 crores being made by SIL to M/s Clearwater Capital Partners India Pvt. Ltd. The sequence of transactions, their originating and terminating points, and the amounts involved, have been meticulously examined and are summarized in the table below for ready reference. The said chain of transactions prima facie indicates structured and deliberate movement of funds through multiple entities, suggesting possible diversion or layering of resources for the benefit of the ultimate recipients (present petitioner).

4.10. The investigation has also revealed allegations regarding M/s A 2 Zed Transport/ M/s Patiala Express owned by petitioner's wife and brother-in-law, which are as under:

89. Accused Bikram Singh Majithia, during his tenure as Cabinet Minister, misused his official position to build a transport empire under the guise of M/s A2Zed Transport / M/s Patiala Express, in the names of his wife and brother-in-law. The route permits were obtained through coercion, influence, and payment of large sums in unaccounted cash, while official records falsely reflected nominal consideration. The total investment of approximately Rs. 2.80 crore made for acquiring permits and buses constitutes expenditure from illegal and undisclosed sources. The firm served as a benami front to conceal assets and proceeds of corruption belonging to the accused. M/s A2Zed Transport is a partnership firm (PAN AAXFA2865J) incorporated on 20-03-2013. The partner of the firm were Gajpat Singh Grewal and Ganieve Grewal with profit sharing and holding in the ratio of 25:75 respectively. Since inception, the firm is engaged in transport services i.e. plying of passenger buses on selected routes in Punjab. The registered address of the firm as per the bank account opening forms and partnership deeds is House number 353, Village Kheri, District



Sangrur. As per the amended partnership deed dated 01-10-2015, the name of the business A2Zed Transport was changed to M/s Patiala Express.

90. xxx xxx

91. That, under the provisions of the Motor Vehicles Act, 1988 and the Punjab Motor Vehicles Rules, route permits for State Carriage buses are required to be issued by the competent authority upon payment of the prescribed fees. It is pertinent to note that there exists no provision under the said Act or Rules for the sale or purchase of such permits between private parties, and a permit shall not be transferable from one person to another except with the express permission of the Transport Authority which originally granted the permit. That during the course of the investigation, statements were recorded from transporters, namely Jagroop Singh, owner of Rauni Bus and Ramandeep Bus Service, and Simranjit Singh, son of Late Sh. Kuldeep Singh, owner of Patarsi Bus and Guru Amardas Bus Service. In addition, bank account details of the said transporters were obtained from SBI, HDFC Bank, and Kotak Mahindra Bank, and relevant notifications and records were obtained from the State Transport Commissioner, Punjab and the Regional Transport Authority (RTA), Patiala. Statements of departmental officers, including Ms. Sukhvir Kaur, Assistant Transport Officer (Taxation Branch), and Amanpreet Singh, Section Officer, RTA Patiala, were also recorded from which it has surfaced that during the check period 02.03.2007 to 31.03.2017, total 26 route permits were purchased in the name of M/s A2Zed Transport/ M/s Patiala Express from Small Transporters. Out of which, 8 permits were purchased from the aforementioned Jagroop Singh and 7 permits from Late Sh. Kuldeep Singh for total consideration of about Rs. 2.42 crores, out of which Rs. 16 lacs only were found to be paid through bank accounts and balance amount of about Rs. 2.26 crores were paid in cash.



4.11. Referring to the aforesaid investigation, learned Additional Advocate General has further contended that the offences the petitioner is accused of are very serious economic offences. He has created a web of companies in the name of his family members and diverted his ill-gotten money there. Although chargesheet has been filed against him, further investigation in the case is going on, and the investigating agency is following the leads which have so far been revealed. In case the petitioner is released at this stage, it will hamper further investigation and uncovering of deeper financial irregularities. There are many Chartered Accountants and other individuals, companies and their subsidiaries, which are closely related to all the transactions; the same are also under investigation. The petitioner is the mastermind behind all these transactions, and he is aware about the entire network of companies that has been created for handling the ill-gotten money. The investigation has also found leads pointing towards offshore accounts of the petitioner, and movable and immovable assets in other States regarding which investigation is going on. Therefore, he should not be released.

4.12. It has further been contended that the petitioner is an influential political person in the State, and has been in power for a long time. His conduct so far in recording video at the time when the vigilance had raided his premises, as also the threats of dire consequences being issued to the officials by his relatives, etc., are enough to show there is reasonable apprehension of his obstructing investigation of the case, as well as threatening of the witnesses and preventing them from disclosing facts to the agency.



4.13. In support of the contentions he has relied upon the Supreme Court judgments in *Y.S. Jagan Mohan Reddy v. Central Bureau of Investigation* (2013) 3 SCC (CrL.) 552, and *Nimmagadda Prasad v. Central Bureau of Investigation* (2013) 3 SCC (CrL.) 575, to contend that economic offences, which the petitioner is accused of, constitute a class apart, and need to be visited with a different approach in the matter of bail. These offences have deep rooted conspiracies and involve huge loss of public funds, and cannot be treated like other offences so far as grant of bail to the accused is concerned. He has also relied upon another judgment in *State of Rajasthan v. Surendra Singh Rathore* 2025 SCC Online SC 358, which lays down the circumstances whereunder lodging of second FIR is permissible, especially when the investigation revealed the earlier FIR to be part of a larger conspiracy.

5. Submissions made by learned counsel for the parties have been considered.

6. The petitioner is accused of serious economic offences. Investigation of the case has revealed huge unaccounted money in his bank accounts, as also setting up of a large number of companies through which the financial transactions have been carried out surreptitiously for his benefit. It has also come to notice of the investigating agency that money has been routed through some foreign entities based in Singapore and Cyprus. The petitioner is directly or indirectly in control of most of these entities with immediate family members, and appears to be the key beneficiary. The transactions as well as the assets accumulated by routing the money in the manner aforementioned are being investigated. All this has adverse ramifications for financial health of the State. Various leads to track money



trail are being followed. Not only the role of these companies, but also that of petitioner's close associates and financial experts is still under investigation. The investigators are statedly in the process of accessing crucial records with regard to the questionable financial transactions from various banks, financial institutions, and other agencies. The petitioner is one of the prominent political figures in the State of Punjab, and has been a Cabinet Minister in the Government for over seven years. The investigating agency has cited about twenty material witnesses, who have been termed vulnerable. In case the petitioner is to be released from custody at this stage, possibility of his influencing the further course of investigation, trying to cover up the questionable transactions, manipulating the record relating to the same, and influencing the concerned persons/witnesses not to cooperate with the investigating agency, cannot be ruled out.

7. The reliance by Mr. Cheema on *Pradeep Ram* case (*supra*) and his assertions based thereupon that the State has not followed the correct procedure in registering the FIR in question with regard to disproportionate assets said to have come to its notice during investigation of an earlier NDPS case against the petitioner, are misplaced. There is no absolute bar on registering a fresh case for separate offences on the basis of material coming to notice while investigating a case. The observations of the Supreme Court in *Pradeep Ram* case are with reference to a situation where the investigating agency adds offences to an existing case. It has been held that in such circumstances the agency is required to obtain an order of arrest from the Court which has granted bail to the accused in the earlier case. The facts of the instant case are different, as the investigating agency has registered a second case under the PC Act against the petitioner, and it is



entitled to do so as per law laid down in *Surendra Singh Rathore* case (*supra*), which reads as under:

9. From the above conspectus of judgments, inter alia, the following principles emerge regarding the permissibility of the registration of a second FIR:

9.1. When the second FIR is counter-complaint or presents a rival version of a set of facts, in reference to which an earlier FIR already stands registered.

9.2. When the ambit of the two FIRs is different even though they may arise from the same set of circumstances.

9.3. When investigation and/or other avenues reveal the earlier FIR or set of facts to be part of a larger conspiracy.

9.4. When investigation and/or persons related to the incident bring to the light hitherto unknown facts or circumstances.

9.5. Where the incident is separate; offences are similar or different.

Accordingly, as the investigating agency statedly came across new facts which appeared to be part of a larger conspiracy pointing to the petitioner's disproportionate assets and use of ill-gotten money, it was within its right to register second FIR and investigate the case. It cannot be termed a *mala fide* exercise or sheer political vendetta against the petitioner.

8. It also needs a reference that the Supreme Court has emphasised time and again that economic offences constitute a class apart, and for grant of bail the Court has to take into account the alleged deep rooted conspiracies to cause huge loss to public exchequer, etc. In somewhat similar circumstances in *Y.S. Jagan Mohan Reddy* case (*supra*), the Court has observed as under:

34. Economic offences constitute 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 economy of the country as a whole and thereby posing serious threat to the financial health of the country.

35. While granting bail, the court has to keep in mind the nature of accusations, the nature of evidence in support thereof, the severity of the punishment which conviction will entail, the character of the accused, circumstances which are peculiar to the accused, reasonable possibility of securing the presence of the accused at the trial, reasonable apprehension of the witnesses being tampered with, the larger interests of the public/State and other similar considerations.

9. Keeping in view the totality of facts and circumstances, as discussed hereinbefore, this Court is not inclined to grant regular bail to the petitioner at this stage and the petition, accordingly, stands dismissed. However, the Court is conscious of the fact that he cannot be kept in custody for an indefinite period, as that would infringe his right to liberty. Also, that the investigating agency owes a duty to the State to complete investigation of the case in every respect within a reasonable time. Therefore, it is directed that investigation be completed within three months. Thereafter, the petitioner can seek his release on bail.

(TRIBHUVAN DAHIYA)
JUDGE

04.12.2025
Maninder

Whether speaking/reasoned : Yes
Whether reportable : Yes