IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

113

CRM-M-34052-2026(O&M)
Date of decision: 17.06.2026

Ranjit Kumar ...Petitioner(s)

VERSUS

State of Punjab ...Respondent(s)

CORAM : HON'BLE MR. JUSTICE VINOD S. BHARDWAJ

Present :- Mr. Deependra Singla and Mr. Agam Bansal, Advocates for the petitioner.

Mr. Mohit Kapoor, Sr.DAG, Punjab.

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VINOD S. BHARDWAJ, J. (Oral)

The present first petition has been filed under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 for grant of anticipatory bail to the petitioner in case bearing FIR No.0354 dated 12.12.2025 registered under Sections 318(4) and 316(2) of the Bharatiya Nyaya Sanhita, 2023 at Police Station Bhawanigarh, District Sangrur.

2. Briefly stated, the present FIR was registered on the complaint submitted by Ankush Mittal son of Mahinder Kumar Mittal, resident of Mann Colony, Sangrur, who claimed to be a partner/proprietor of M/s Mittal Food and Rice Mill, Gharachon. The complainant alleged that Ranjit Kumar son of Som Nath and his son Labhpreet Singh, residents of Village Balial, Tehsil Bhawanigarh, District Sangrur, acting in conspiracy with each other, had committed criminal breach of trust, cheating and embezzlement causing substantial financial loss to the firm as well as to MARKFED. It was alleged that Ranjit Kumar had been employed as a caretaker/manager of the rice sheller for a considerable period and that his son Labhpreet Singh used to assist him in the management and operations of the sheller. Owing to the

trust reposed in them, the day-to-day affairs of the sheller, including financial transactions and dealings with banks, were allegedly being handled by them. According to the complainant, signed blank cheques belonging to the firm were kept in the office premises for operational purposes and were accessible to the accused persons.The complainant alleged that the accused persons misused the signed blank cheques and fraudulently withdrew substantial amounts from the firm's bank account bearing No. 50200008073225 maintained with HDFC Bank, New Grain Market Branch, Bhawanigarh. It was further alleged that the accused had manipulated the cheque book records and had even caused their own mobile number to be associated with the banking documents relating to the said account.The complaint further disclosed that during the crop year 2024–25, MARKFED had entrusted 78,412 bags of paddy to the sheller for milling purposes. The records relating to receipt of paddy, milling operations and supply of custom milled rice to MARKFED were allegedly maintained by Ranjit Kumar and Labhpreet Singh. It was alleged that on 04.08.2025, the complainant received a communication from MARKFED informing him that although 78,412 bags of paddy had been delivered to the sheller, there remained a shortage equivalent to 9,160 bags. Upon inquiry, it came to light that the accused persons had dishonestly removed, sold and misappropriated 9,160 bags of paddy entrusted by MARKFED and had appropriated the sale proceeds thereof for their personal benefit.The complainant further alleged that in order to make good the deficiency and discharge the obligations towards MARKFED, the firm was compelled to procure paddy and rice from the open market at an approximate cost of Rs.75,00,000/-. It was alleged that by their acts, the accused persons had not only caused wrongful loss to the complainant and the firm but had also cheated MARKFED and committed criminal breach of trust in respect of the entrusted stock. It was also alleged that the accused persons were in possession of the cheque book relating to Account No. 65176944773 maintained with the State Bank of India, New Grain Market Branch, Sangrur, and that they were attempting to leave the country to evade legal proceedings. On the basis of the aforesaid allegations relating to misappropriation of paddy stock, unauthorized withdrawals from the firm's bank accounts and criminal breach of trust, the present FIR was registered against the accused persons.

3. Learned counsel appearing on behalf of the petitioner vehemently argues that the petitioner has been falsely implicated in the aforesaid case. It is argued that the FIR was registered after an unexplained delay of nearly 7 months from the date on which the stock is alleged to have been removed, while even the first complaint submitted by the complainant was lodged after a delay of approximately 4 months. Learned counsel further contends that other than a mere suspicion there is nothing on record on the basis whereof the petitioner may be linked to the sale, removal and misappropriation of the paddy stock from the premises as alleged. It is further submitted that the dispute pertains to rendition of accounts and reconciliation of stock and financial transactions between the parties, which at best gives rise to civil consequences. Learned counsel contends that an attempt has been made to impart a criminal colour to what is essentially a commercial and accounting dispute, with a view to exert pressure upon the petitioner. He further contends that the bank account statements collected

during the course of investigation contradict the claim made by the petitioner and do not substantiate the allegations as levelled against him.

4. Learned State Counsel, on the other hand, contends that it is a case wherein as many as 9160 bags of paddy belonging to MARKFED had been misappropriated in a clandestine manner from the premises. According to the State, the value of the misappropriated stock is approximately Rs.54.65 lakhs, thereby causing substantial loss to the public exchequer. Learned State counsel further submits that the investigation has revealed numerous financial transactions reflected in the accounts operated by or linked to the petitioner, for which no satisfactory explanation has been furnished. It is contended that the investigation is still underway to ascertain whether the petitioner was himself the ultimate beneficiary of the embezzled stock or whether other persons, including the owners of the sheller and other associates, were acting in concert with him as part of an unholy nexus and conspiracy to misappropriate Government property and derive unlawful gain therefrom. It is thus contended that the mere plea of a civil dispute cannot be permitted to overshadow the serious allegations of criminal breach of trust, cheating and embezzlement involving public property.

5. It is submitted that the petitioner herein has criminal antecedents and even earlier, an FIR No.12 under Section 420 IPC had been registered against the petitioner at Police Station Bhawanigarh, District Sangrur. Hence, it is a regular modus operandi adopted by the petitioner and other accused, who may be in league with the petitioner, to embezzle and to convert it to their own use the properties belonging to the State and thereafter to take a plea of the dispute being civil in nature. It is thus

contended that the disappearance of a substantial quantity of Government stock from the sheller premises remains unexplained and that no plausible account has been furnished by the petitioner regarding the shortage. In such circumstances, the allegations disclose the commission of cognizable offences and clearly attract criminal liability, warranting a thorough investigation into the matter.

6. I have heard learned counsel appearing on behalf of the respective parties and have gone through the documents appended alongwith the present petition.

7. Undisputedly, a shortage equivalent to 9,160 bags of paddy/custom milled rice has been detected and that the said stock has not been accounted for. The allegations prima facie indicate that the stock entrusted for milling was diverted and sold in the open market, thereby attracting offences relating to criminal breach of trust as well as other offences. The respondent-State has also been able to point out certain financial transactions reflected in the accounts associated with the petitioner, the nature and source whereof are presently under investigation. Besides, it has also comeforth that numerous aspects in this case remain to be thoroughly investigated. Undisputedly, such a substantial quantity of stock could not ordinarily have found their way out of the premises without the knowledge, assistance or involvement of insiders. At this stage, merely because the complainant happens to be the owner of the premises would not be sufficient to conclusively infer either his innocence or his complicity. The investigation is required to ascertain the precise role of all persons connected with the affairs of the sheller and the chain of events leading to the

disappearance of the entrusted stock. The petitioner being custodian of the property or the manager, was expected to furnish some explanation regarding the shortage and disappearance of the paddy entrusted to the sheller. Surprisingly, the petitioners offers no explanation as to where the stock has gone and instead is raising an argument that the dispute is civil in nature and pertains to rendition of accounts between the parties. Prima facie, however, the issue transcends a mere accounting dispute between private parties. The allegations pertain to stocks entrusted by MARKFED, a public procurement agency, which have been misappropriated and diverted for unauthorized sale. The investigation further seeks to ascertain the flow of funds generated from such transactions and the persons who ultimately benefited therefrom. In such circumstances, the contention that the matter is purely civil in nature does not, at this stage, appear sufficient to dilute the criminality alleged by the prosecution.

8. At this stage, the investigation is required to ascertain the complete chain of events leading to the disappearance of the entrusted stock, identify the persons involved in the embezzlement, trace the flow of funds generated from the unauthorized sale thereof and determine whether the petitioner acted alone or in concert with other persons. The recovery of the missing stock and the identification of all beneficiaries of the misappropriation are also matters that necessitate a thorough and unhindered investigation. Grant of the concession sought by the petitioner at this stage would not be conducive to the effective investigation of the case. Accordingly, finding no ground to extend the discretionary relief prayed for, the present petition is dismissed.

9. Pending application(s), if any, shall stand disposed of.

(VINOD S. BHARDWAJ)
JUDGE

17.06.2026
Sumit Gusain

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