(2022) 02 DEL CK 0151

In the Delhi High Court

Case No : Bail Application No. 2453, 2454 Of 2021, Criminal Miscellaneous (Bail) No. 928, 929 Of 2021, Criminal Miscellaneous Application No. 20201, 20202 Of 2021, 51 Of 2022

Francis Daniel Lee APPELLANT

Vs

State RESPONDENT

Date of Decision : 21-02-2022

Acts Referred:

Code Of Criminal Procedure, 1973 — Section 91, 160, 438, 438(1)
Indian Penal Code, 1860 — Section 120B, 406, 409, 420, 467, 468, 471
Arbitration And Conciliation Act, 1996 — Section 9

Citation : (2022) 02 DEL CK 0151

Hon'ble Judges : Subramonium Prasad, J

Bench : Single Bench

Advocate : Shree Prakash Sinha, Amit Chadha, Mohit Mathur, Sandeep D. Das, Sitesh Mukherjee, Shashwat Sarin, Harsh Gautam

Final Decision : Dismissed

Judgement

Subramonium Prasad, J

1. These applications have been filed under Section 438 Cr.P.C. seeking grant of anticipatory bail in FIR No. 63/2020 dated 01.07.2020 registered at Police Station EOW under Sections 409/420/468/471/120-B of the Indian Penal Code, 1860 (hereinafter, "IPC") and FIR No. 82/2020 dated 06.08.2020 registered at Police Station EOW under Sections 406/409/420/467/468/471/120-B IPC.

2. The facts, in brief, leading to BAIL APPLN. 2453/2021 are as follows:

a) It is stated that Malvinder Mohan Singh and Shivinder Mohan Singh, promoters of Complainant Companies - Religare Enterprises Limited (REL) and Religare Finvest Limited (RFL), held an all-pervasive control over REL and its subsidiaries, and that they held this control until 14 February 2018 when they resigned as Non-Executive Chairman and Non-Executive Vice-Chairman of the Board of Directors of REL, respectively.

b) It is stated that a corporate fraud was discovered when the Board of Directors at REL was reconstituted after the decline of promoters' shareholding in REL and the exit of Malvinder Mohan Singh and Shivinder Mohan Singh, and they found REL and its subsidiaries to be in a terrible financial condition, and that there was widespread illegal siphoning off of funds from REL and RFL. Multiple complaints were filed pertaining to this, and this led to FIR No. 50/2019 being registered.

c) It is stated that Mr. Francis Daniel Lee, the Petitioner herein, was a Director on the Board of REL from 17.11.2017 to 13.02.2018 and that he worked in connivance with Mohnish Mukkar to cause wrongful loss to REL and RFL. During internal inquiries of the new management at RFL, discrepancies were found in the Goods and Sales Tax (GST) credit on its account for invoices raised by KE Valuation Services, a brand name of Kalpana Export.

d) It is stated that RFL, in a letter dated 01.05.2018, had stated that it had received invoices from Kalpana Export against a certain product and that the GST credit on its ISD registration with respect to the invoices was Rs. 77,436.81/- against the GST charged on such invoices aggregating to Rs. 51/75/360/- which would lead to a shortfall on the GST credit for RFL and result in a cash outflow. On seeking a clarification regarding the types of services offered by Kalpana Export, RFL received an email on 31.05.2018 stating that Kalpana Export engaged in trading of diamonds and had supplied rough diamonds to RFL on 16.12.2017 worth Rs. 3,10,52,160/-, and that they deposited an amount of Rs. 77,436.81/- towards IGST @ 0.25% as applicable.

e) It is stated that RFL has never ordered any rough diamonds and that the invoice sent by Kalpana Export appears to be signed by a person named "P Sharma', allegedly a director of RFL, but his signature does not match that of any director at RFL. After further inquiries, an engagement letter was recovered dated 22.08.2017 shared by KE Valuation Services for certain services to be rendered by them in real estate to RFL, but the terms and scope of the work mentioned were vague and obscure, and it is stated that this was a mere ruse to extract money out of RFL.

f) It is stated that the emails indicate that the Petitioner herein urgently sought approval to process payments to KE Valuation Services/Kalpana Export, and that this payment was approved by three members of the Group Monitoring and Auditing Council (GMA) which included one Rajesh Sharma, one Gurvinder Singh Juneja and one Pawan Seth, along with the approval of the Petitioner herein. It is stated that all the approvals were secured at the behest of the Petitioner herein who has never held any management position in RFL and has had no authority to permit any payment on behalf of RFL, and that these acts reveal a breach of trust by the Petitioner herein who was bestowed with the responsibility of an Executive Director of REL and owed a fiduciary duty towards it.

g) It is stated that another tax invoice dated 16.12.2017 of Kalpana Export for rough diamonds worth Rs. 2,00,00,000/- was discovered and it was signed by one Shrikant Prasad on behalf of Halcyon, a restructuring company where Mohnish Mukkar was one of the Directors. It is to be noted that Shrikant Prasad is also the authorized signatory for Loancare Servicing Solutions Pvt. Ltd. on whose Board the Petitioner herein is sitting. It is to be noted that Halcyon, Lionforge Intertrade Pvt. Ltd., Strategic Credit Capital Pvt. Ltd. share the same directors and registered office. Further, Loancore Services Solutions Pvt. Ltd. and Lionforge Intertrade Pvt. Ltd. also share the same directors.

h) It is stated that the ledger account of Kalpana Export sent to Halcyon shows that an amount of Rs. 2,00,00,000/- was transferred by Kalpana Export to Halcyon on 16.12.2017, and that this shows a nexus between the Petitioner herein, Mohnish Mukkar, Shrikant Prasad, KE Valuation Services/Kalpana Export and Halcyon to divert funds from RFL to Halcyon through Kalpana Export.

i) It is stated that the accused persons entered into a conspiracy with each other to cheat the management of RFL into clearing forged invoices for services that were not even availed by RFL, and that there are no records with RFL approving the purchase of any diamonds as such. It is stated that the Petitioner herein, along with Mohnish Mukkar and Shrikant Prasad forged invoices and siphoned off funds of RFL causing immense loss to RFL and its public shareholders.

j) The Petitioner herein filed an Anticipatory Bail Application No. 574/2021 before the Ld. Sessions Court which was dismissed vide Order dated 23.06.2021. Aggrieved by the same, the Petitioner has approached this Court seeking anticipatory bail.

3. The facts, in brief, leading to BAIL APPLN. 2454/2021 are as follows:

a. It is stated that the accused persons/companies, including the Petitioner herein, have entered into a criminal conspiracy to intentionally deceive the Complainant (Religare Finvest Limited) by forging a document to malign the reputation of the Complainant and by fabricating Settlement Agreement dated 30.01.2018, thereby causing wrongful loss to the tune of Rs. 150,000,000/- to the Complainant.

b. It is stated that the Petitioner herein (Accused No.1), without having the authority to execute any sort of document or agreement on behalf of the Complainant, executed Settlement Agreement 30.10.2018 in connivance with co-accused Dinesh Kanodia (Accused No.2) to deceive the Complainant. Further, M/s Zee Entertainment Enterprises Limited (ZEEL) (Accused No.10) vide an Assignment Agreement dated 29.01.2018 has assigned all rights, title and interest in favour of Asian, Konti, Edisons and Widescreens (accused companies), who have gone on to create the allegedly illegal Settlement Agreement dated 30.01.2018 as per which the accused persons/companies have sought to set off/ appropriate the liabilities of M/s Oscar Investments Limited (Oscar) (Accused No.19). It is stated that the Complainant Company has never executed any document/agreement with Oscar.

c. It is stated that the Complainant had sanctioned a loan facility of Rs. 260,00,00,000/- to Zee Group Companies, which consists of seven companies, including accused companies – Asian Satellite Broadcast Private Limited, Edisons Infrapower and Multiventures Private Limited, Konti Infrapower and Multiventures Private Limited and Widescreen Holdings Private Limited. It is stated that as per the Sanction Letter, the sanctioned amount was distributed amongst seven companies in seven different loan amounts vide loan agreements dated 15.03.2014. It is stated that the aggregate amount of the loan facility disbursed to accused companies amounted to Rs. 150,00,00,000/- vide Loan Agreements dated 15.03.2014 for the purpose of investment and consolidation of promoter interest in group companies wherein the accused companies had created security interest in the form of several Compulsory Convertible Debentures (CCD) by way of pledge in favour of the Complainant and the tenure of the same was for a period of 12 months from the date of disbursal, with it being renewed for a period of 36 months vide facility schedule of terms dated 30.03.2015 to be expired on 31.03.2018.

d. It is stated that the accused companies defaulted in re-payment of their outstanding dues and notice dated 19.03.2018 was issued by the Complainant. In response to the notice, the accused companies refused to pay the loan on the grounds that they had signed the allegedly fabricated Settlement Agreement dated 30.01.2018 that stated that the loans were not to be repaid by them. Vide email dated 20.12.2017, it is stated that the Reserve Bank of India (RBI) had directed Mr. Subramanian Lakshminarayanan, the Executive Chairman of REL, to withdraw all powers of the Petitioner herein with immediate effect and to make him step down from the Board of Directors which was subsequently accepted by the Petitioner herein vide his email dated 22.12.2017. All powers of the Petitioner herein were terminated, including power/authority to grant approval on any financial matter or issue any instructions related to the administration.

e. It is stated that in absence of any authority, the Settlement Agreement dated 30.01.2018 could not have been executed and, therefore, the same was a fraudulent, dishonest and mala fide manner of cheating the Complainant Company. The Complainant Company was made aware of the Settlement Agreement only by way of a reply filed by the accused companies to Applications under Section 9 of the Arbitration and Conciliation Act, 1996, filed before this Court. Emails were also found between the Petitioner herein and other accused persons as they were also filed along with the Statement of Defense (SOD) on behalf of the accused companies in the proceedings on 21.08.2019. The emails disclosed that the Petitioner herein, without having the authority to execute any sort of document or agreement on behalf of the Complainant, executed Settlement Agreement 30.10.2018 in connivance with co-accused Dinesh Kanodia to deceive the Complainant Company and even counterfeited the seal of Complainant Company so that the accused companies could evade their liabilities.

f. The Petitioner herein filed Anticipatory Bail Application No. 398/2021 before the Ld. Sessions Court which was dismissed vide Order dated 23.06.2021. Aggrieved by the same, the Petitioner has approached this Court seeking anticipatory bail.

4. Mr. Shree Prakash Sinha, learned Counsel for the Petitioner, submits that both the FIRs stem from FIR No. 50/2019 dated 27.03.2019 registered at P.S. EOW and that FIR No. 50/2019 does not name the Petitioner herein. He states that when the Petitioner's relationship with REL was terminated on 10.02.2018, he had been staying at his hometown Ranchi with his family and, therefore, had done no work after 15.12.2017. He submits that the Petitioner had been inducted into the Board of REL as a representative of M/s Loancare Servicing Solutions (that sought to acquire a stake in REL) in view of the pending litigations between REL/RFL and other corporate entities, and his only endeavour was to streamline their affairs.

5. With regard to FIR No. 63/2020, the learned Counsel submits that the GMA which approved of the invoices for Kalpana Exports consisted of five persons, including the CMD and the Petitioner herein, and that it was not the Petitioner who had processed for approval of payment, in fact, it was referred to the three members for approval, and it was only after their approval and recommendation did the Petitioner forward the same to the CMD. Mr. Sinha submits to this Court that the allegations against the Petitioner are motivated in wake of the fact that there exists a dispute between M/s Loancare and the fact that the remaining three members of the GMA are still employed at REL. The learned Counsel argues that the sole allegation in FIR No. 63/2020 is merely indicative of how the Petitioner is being made a scapegoat for the errors committed by the GMA.

6. With regard to FIR No. 82/2020, Mr. Sinha submits that the Petitioner herein had not signed the allegedly fraudulent Settlement Agreement dated 30.01.2018 which had only come to his notice on 24.08.2018 by one Mr. Ashok Mehta, a Director of REL and, subsequently, the Petitioner sent an Affidavit dated 10.10.2018 to the Complainant, contesting the veracity of his signature on the Settlement Agreement. He states that the Petitioner has only been roped in due to disagreements that had arisen against the Petitioner's way of functioning during his tenure at REL. Mr. Sinha further submits that the Petitioner had received two notices under Sections 91/160 of Cr.P.C. dated 01.01.2021 and 04.02.2021, and that the Petitioner had replied to the said notices along with the documents that were available with him as he was not in a condition to a travel.

7. The learned Counsel appearing for the Petitioner submits that the documents on record reveal that the instant issue relates to the dispute between the Complainant Company and the accused companies, and that arbitration proceedings are already pending with regard to the said dispute. He states that the emails which allegedly delineate the communication that took place between the Petitioner and the accused companies have not been provided to the Petitioner. He submits that no material exists that could be relied upon to bring offences under Sections 406/409/420/467/468/471 IPC against the Petitioner.

8. Mr. Sinha refers to the Reply of the Investigating Officer dated 17.03.2021 before the Ld. Sessions Court in the anticipatory bail application of the Petitioner herein in FIR No. 63/2020 to show that there were contradictions in the same. He further submits that the Reply dated 17.03.2021 had stated that the custodial interrogation of the Petitioner was necessary to recovery the funds that had been siphoned off as well as to recover the instrument that been utilised to forge the invoices. Mr. Sinha, appearing for the Petitioner, states that the Petitioner has deep roots in society and there is no chance of him fleeing justice. He states that the Petitioner intends to join the investigation and that this investigation is based on documents only and that there is no need for the custodial interrogation of the Petitioner in the instant case, and therefore, he should be granted anticipatory bail in both the FIRs.

9. Per contra, Amit Chadha, the learned APP for the State, submits that the Petitioner was at the helm of affairs of the Complainant Company and was instrumental in causing wrongful loss to the Complainant Company to the tune of Rs. 3.39 crores. He submits that investigation had revealed that Rs. 3.39 crores had been transferred to the account of Kalpana Exports and that from this account, an amount of Rs. 2 crores was transferred to accused company, Halcyon Asia Support Services Pvt. Ltd. Further, KYC documents of the accused company confirmed that the account had been opened by Mohnish Mukkar and Nisha Gupta.

10. The learned APP further submits that the sole proprietor of Kalpana Exports, Rajesh C. Rajguru had been examined and he stated that he was a diamond broker. Rajguru revealed that as per instructions, he had handed over Rs. 1 crore in cash to his cousin Vallabh Bhai and Rs. 2 crores had been transferred to M/s Halcyon. Rajguru further stated that he had never raised invoices in the name of KE Valuation Services and they were forged. The learned APP submits that it is suspected that the Rs. 1 crore has been taken by the Petitioner herein. Mr. Chadha has also brought to notice of this Court that email trails were provided by Rajesh Sharma, Director Internal Audit, REL, which confirmed that the three invoices of KE Valuations had been forwarded by the Petitioner herein to one Hemant Singh Shekhawat, and that at the time of transaction, these forged invoices had been specifically forwarded by the Petitioner from his own email ID for approvals. It was also revealed that one of the email IDs (operations1357@yahoo.com) that the Petitioner had forwarded the invoices to belonged to the employee of Mohnish Mukkar, thereby establishing the conspiracy between the Petitioner and Mukkar.

11. In reference to FIR No. 82/2020, Mr. Chadha submits that expert opinion has been supplied with regard to the authenticity of the signature of the Petitioner on the Settlement Agreement dated 30.01.2018 and this opinion indicates that the signature is indeed the Petitioner's. The learned APP states that the Petitioner played a vital role in the preparation of the said Settlement Agreement and interrogation is required to probe the same.

12. Mr. Amit Chadha, learned APP, submits that the Petitioner is not cooperating in the investigation and that his custodial interrogation is necessary in order to not only recover the large amounts of money, but to also ascertain the role of co-conspirators. Mr. Chadha further submits before this Court that NBW had been issued in FIR No. 63/2020 against the Petitioner, and that on 01.03.2021, a raid had been conducted at his addresses, however, the Petitioner was not found to be residing there. Mr. Amit Chadha, therefore, vehemently opposes the anticipatory bail applications of the Petitioner herein.

13. Mr. Mohit Mathur, learned Senior Counsel for the Complainant, submits that the Petitioner has caused wrongful loss of Rs. 150 crores of public monies to RFL which is a subsidiary of REL that is a widely held public company, and therefore, the loss affects approximately 58,000 shareholders. He informs this Court that vide Order dated 20.01.2022 passed by the Ld. CMM in State v. Francis Daniel Lee and Ors. in FIR No. 63/2020, the Petitioner had been declared absconding.

14. The learned Senior Counsel submits that the alleged Settlement Agreement dated 30.01.2018 dictates that the loan of Rs. 150 crores that had been extended to the accused companies would be suspended and that RFL had agreed to not recover the same in consideration of the accused companies not being able to recover their outstanding liability from M/s Oscar Investments Limited. Mr. Mathur argues that as M/s Oscar was not a party to the alleged Settlement Agreement, the Complainant could not recover the money. He states that the alleged Settlement Agreement was executed by the Petitioner herein who had no authority to do so and was indicative of the conspiracy that had been hatched by the Petitioner in collusion with one Mr. Dinesh Kanodia so as to provide wrongful advantage to M/s Loancore and the Essel Group (accused companies).

15. Mr. Mathur concludes his submissions by stating that the offences of which the Petitioner has been accused are grave in nature and are punishable with a sentence of life imprisonment. He states that anticipatory bail should not be granted in cases of siphoning off of public money and that investigation is still in its nascent stage. He, therefore, vehemently opposes the bail applications of the Petitioner herein and states that custodial interrogation is required to unearth the underlying conspiracy.

16. Heard Mr. Shree Prakash Sinha, learned Counsel for the Petitioner, Mr. Amit Chadha, learned APP for the State, and Mr. Mohit Mathur, learned Senior Counsel for the Complainant, and perused the material on record.

17. Section 438 Cr.P.C. stipulates that directions can be given by the High Court or the Sessions Court for grant of bail to a person apprehending arrest. Sub-section (1) of 438 Cr.P.C. states that any person who approaches the Court seeking anticipatory bail must have a "reason to believe" that they may be arrested in a non-bailable offence. However, the ultimate decision to grant anticipatory bail is reliant upon the discretion of the Court. No straitjacket

formula can be employed while considering an application for grant of anticipatory bail and the Court must apply its own mind to the question to decide whether a case has been made out for grant of such relief.

18. The Supreme Court had succinctly delineated the aforementioned principle pertaining to anticipatory bail in Gurbaksh Singh Sibbia and Ors. v. State of Punjab, (1980) 2 SCC 565. The relevant portion has been reproduced as follows:

"15. Judges have to decide cases as they come before them, mindful of the need to keep passions and prejudices out of their decisions. And it will be strange if, by employing judicial artifices and techniques, we cut down the discretion so wisely conferred upon the courts, by devising a formula which will confine the power to grant anticipatory bail within a strait-jacket. While laying down cast-iron rules in a matter like granting anticipatory bail, as the High Court has done, it is apt to be overlooked that even judges can have but an imperfect awareness of the needs of new situations. Life is never static and every situation has to be assessed in the context of emerging concerns as and when it arises. Therefore, even if we were to frame a 'Code for the grant of anticipatory bail', which really is the business of the legislature, it can at best furnish broad guide-lines and cannot compel blind adherence. In which case to grant bail and in which to refuse it is, in the very nature of things, a matter of discretion. But apart from the fact that the question is inherently of a kind which calls for the use of discretion from case to case, the legislature has, in terms express, relegated the decision of that question to the discretion of the court, by providing that it may grant bail "if it thinks fit". The concern of the courts generally is to preserve their discretion without meaning to abuse it. It will be strange if we exhibit concern to stultify the discretion conferred upon the courts by law."

19. In the instant case, the investigation that has taken place till date reveals to this Court that in FIR No. 63/2020, an amount to the tune of Rs. 3.39 crores had been transferred from account bearing No. 00340022666 at HDFC Bank, K.G. Marg, New Delhi of RFL into the account of M/s Kalpana Export, Surat, Gujarat. From this account, an amount of Rs. 2 crores had been transferred to Halcyon Asia Support Services Pvt. Ltd. Further, the KYC documents of M/s Halcyon reveals that this account had been opened by Mohnish Mukkar and Nisha Gupta. The factum of transfers have been reproduced as under:

S.No.

Dated

Name of the Company

Amt.

Credited (In Rs.)

1.

16.12.17

M/s Halcyon Asia Support

Services Pvt. Limited

49,75,000/-

2.

16.12.17

M/s Halcyon Asia Support

Services Pvt. Limited

49,25,000/-

3.

16.12.17

M/s Halcyon Asia Support

Services Pvt. Limited

49,48,000/-

4.

16.12.17

M/s Halcyon Asia Support

Services Pvt. Limited

49,52,000/-

20. Furthermore, bank account statements of the Petitioner's bank account bearing no. 23091000001552 at HDFC Bank, Gumia Branch, Jharkhand also reveal that the following amounts have been credited to the Petitioner's account from the accused company M/s Halcyon Asia Support Services Pvt. Limited:

S.No.

Dated

Name of the Company

Amt.

Credited (In Rs.)

1.

03.10.17

M/s Halcyon Asia Support

Services Pvt. Limited

50,000/-

2.

08.11.17

M/s Halcyon Asia Support

Services Pvt. Limited

2,00,000/-

21. The email trails as have been provided by Rajesh Sharma, Director Internal Audit of REL, also reveal that the Petitioner was instrumental in forwarding the allegedly forged invoices of KE Valuation Services to an email ID that was registered on the mobile phone no. 9599498032 belonging to an employee of co-accused Mohnish Mukkar. The trail of emails has been reproduced as under:

"? The 3 invoices of KE Valuations-were firstly received by Francis Lee on mail from an outside email ID of some Project Management & Valuation Services operations1357@yahoo.com at 1:45 PM.

? The above said mentioned email was forwarded to Hemant Singh Shekhwat at 1:56 PM.

? After that, at 3:34 PM, the same was forwarded to Shivani Gupta.

? It has also emerged from perusal of mail trail that Mahavir Negi, a senior member of the Finance Ops Team, had written to Shivani Gupta on 15.12.17 at 3:58 PM mentioning that for processing the attached invoices of KE Valuations RFL's GST member, PAN number & state code should be mentioned on the invoices.

? Mahavir Negi further requested Shivani Gupta to arrange the same on invoices.

? Consequently, Shivani Gupta forwarded the above said mail of Mahavir Negi to Francis Lee at 4:07 PM requesting him to provide requisite details of GST/PAN/ State code etc.

? It has further emerged from the perusal of mail trails that Francis Lee forwarded the above said received mail from Shivani Gupta to an outside email id of Project Management & Valuation Services operations1357@yahoo.com.

? Thereafter, Project Management & Valuation Services operations1357@yahoo.com at 5:07 PM emailed 3 revised invoices to Francis Lee incorporating the GST No., state code and PAN No. of RFL in all the three invoices.

? Francis Lee forwarded the revised 3 invoices to Shivani Gupta at 5:17 PM and Shivani Gupta sent these 3 revised invoices to Mahavir Negi at 5:18 PM requesting them to validate the invoices and thereafter, the payment of the revised invoices was processed"

22. With regard to the allegations in FIR No. 82/2020, the material on record reveals that a loan facility of Rs. 150 crores had been disbursed to the accused companies vide Loan Agreements dated 15.03.2014. These accused companies had created security interest in the form of several Compulsory Convertible Debentures (CCD) and pledged the same in favour of the Complainant Company. The initial tenure of this facility was for a period of 12 months from the date of disbursal, and later it was renewed for period of 3 years on 30.03.2015. When the accused companies defaulted on their repayment, notice dated 19.03.2018 was sent to them and it was consequently found that the alleged Settlement Agreement dated 30.01.2018 had been signed wherein the responsibility of paying the dues was imposed on M/s Oscar Investments Limited. The material placed before this Court indicates that expert opinion has stated that the signature of the Petitioner herein on the alleged Settlement Agreement is indeed the Petitioner's, however, the same is to be deciphered during the course of trial. Emails pertaining to direct assignment, meeting with the Reserve Bank of India, and the request letters-facility convert to unsecured loan, have also been supplied by the Complainant Company to showcase that the Petitioner herein was constantly in touch with the accused companies and had actively hatched the conspiracy to cheat the Complainant Company out of crores of money.

23. The provision of anticipatory bail, while taking into consideration that social ignominy is not caused to the accused by way of being arrested, must also not allow the accused to take advantage of the same in order to flee from justice. It is well settled that ordinarily, arrest is a part of the process of investigation intended to secure several purposes. The accused may have to be questioned in detail regarding various facets of motive, preparation, commission and aftermath of the crime and the connection of other persons, if any, in the crime. There may be circumstances in which the accused may provide information leading to discovery of material facts. It may be necessary to curtail his freedom in order to enable the investigation to proceed without hindrance and to protect witnesses and persons connected with the victim of the crime, to prevent his disappearance, to maintain law and order in the locality. For these or other reasons, arrest may become an inevitable part of the process of investigation. Therefore, factors such as nature and seriousness of the proposed charges, context of the events leading to the said charges, reasonable apprehension of tampering with evidence or threatening witnesses, likelihood of presence being secured during trial, etc. must be taking into account while deciding an application for anticipatory bail [Refer Gurbaksh Singh Sibbia & Ors. v. State of Punjab, (Supra)].

24. It is pertinent to note at this juncture that the Petitioner herein is evading arrest, despite having been served notices under Section 91/160 Cr.P.C. An NBW has also been issued against the Petitioner in FIR No. 63/2020. Apart from being accused of having siphoned off funds from the Complainant Company to the tune of Rs. 3.39 crores, the Petitioner has further been accused of forging the stamp of the Complainant Company as well as surreptitiously executing the Settlement

Agreement dated 30.01.2018 that discharged the liability of the accused companies to pay Rs. 150 crores to the Complainant Company.

25. It is of the opinion of this Court that there is weight in the submission of the learned APP that custodial interrogation of the Petitioner is required to not only recover the large amounts of money that have been cheated from the Complainant Company, but to also shed light to the roles of the alleged co-conspirators in the instant matter. This Court must also keep in mind that the Petitioner is the main accused in the instant FIRs and there is a strong likelihood of him evading arrest and not cooperating in the investigation, as has been exhibited in the past.

26. It must also be borne in mind that investigation is pending and the instant matter pertains to siphoning off of large amounts of public money which is an offence of a grave nature. Power to grant anticipatory bail in economic offences must be exercised sparingly as these offences stand on a different footing due their effect on the economic fabric of society [Refer P. Chidambaram v. Directorate of Enforcement, (2019) 9 SCC 24]. Therefore, granting anticipatory at this juncture may not only have a negative impact on the investigation in the case, but may also affect the faith that is reposed in the criminal justice system.

27. In light of the above, this Court does not deem it fit to grant anticipatory bail to the Petitioner herein in FIR No. FIR No. 63/2020 dated 01.07.2020 registered at Police Station EOW under Sections 409/420/468/471/120-B IPC and FIR No. 82/2020 dated 06.08.2020 registered at Police Station EOW under Sections 406/409/420/467/468/471/120-B IPC.

28. With the above observations, the instant bail applications are dismissed, along with pending application(s), if any.

