

STATE OF ODISHA

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v.

PRATIMA MOHANTY ETC.

(Criminal Appeal Nos. 1455 - 1456 of 2021)

DECEMBER 11, 2021

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**[M. R. SHAH AND B. V. NAGARATHNA, JJ.]**

*Code of Criminal Procedure, 1973 – s. 482 – An FIR was lodged u/s. 420 r/w.120B IPC and ss.13(2) and 13(1)(d) of the Prevention of Corruption Act, 1988 against the public servants occupying crucial positions in Bhubaneswar Development Authority (BDA) and in Housing and Development Department of the State, alleging that they entered into a criminal conspiracy, abusing their official position distributed prime plots among themselves and their relatives at minimal rates – Five Accused persons approached High Court u/s.482 Cr.P.C. to quash the criminal proceedings – The High Court partly allowed the applications and quashed the criminal proceedings against original accused Nos.3,4 and 5 mainly on the ground that the said accused have not dealt with the allotment file in any manner and there is no material that any of these accused had influenced any co-accused or any officer of BDA or H&UD. Deptt. for getting the plots illegally – On appeal, held: The High Court has entered into the merits of the allegations and has conducted the mini-trial by weighing the evidence in detail which, as such, as observed and held by the Supreme Court in its various decisions is wholly impermissible – Looking to the allegations in the present case against the respondents-accused and considering the fact that charge-sheet was filed by the Vigilance Cell after a thorough investigation, it cannot be said that the case falls within any of the exceptions as carved out by this Court in the case of Bhajan Lal – The allegations against the respondents-accused are very of serious nature, as there are specific allegations with respect to huge loss caused to the BDA and the public exchequer, as according to the prosecution the plots were allotted at throw away prices – All these aspects are required to be considered at the stage of trial and not while considering the application u/s.482 Cr.P.C. – Thus, the impugned judgment and order passed by the High Court*

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- A *quashing the criminal proceedings against the respondent-accused no.3,4 and 5 is quashed and set aside.*

- Code of Criminal Procedure, 1973 – s. 482 – Quashing under – Held: The power of quashing should be exercised sparingly and with circumspection and in rare cases – As per settled proposition of law while examining an FIR/complaint quashing of which is sought, the court cannot embark upon any enquiry as to the reliability or genuineness of allegations made in the FIR/complaint – Quashing of a complaint/FIR should be an exception rather than any ordinary rule – Normally, the criminal proceedings should not be quashed in exercise of powers u/s. 482 Cr.P.C. when after a thorough investigation the charge-sheet has been filed.*
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- Public Property – Allotment of plots – Held: Government and/or the public authorities like B.D.A. are the custodian of public properties – Allotment of public properties must be transparent and has to be fair and non-arbitrary – In such matters, public interest only has to be the prime guiding consideration – In order to get the best or maximum price so that it may serve the public purpose and public interest so as to avoid loss to the authority and/or the public exchequer – The allotment of plots in the discretionary quota cannot be at the whims of the persons in power and/or the public servants who are dealing with the allotment of plots in the discretionary quota.*
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#### **Allowing the appeals, the Court**

- HELD: 1. At the outset, it is required to be noted that by the impugned judgment and order the High Court in exercise of its powers under Section 482 Cr.P.C. has quashed the criminal proceedings for the offences under Section 13(2) read with Section 13(1)(d) of the Act and Section 420 read with Section 120B IPC. From the impugned judgment and order passed by the High Court, it appears that the High Court has entered into the merits of the allegations and has conducted the mini-trial by weighing the evidence in detail which, as such, as observed and held by this Court in a catena of decisions is wholly impermissible. As held by this Court in the case of State of Haryana And Ors. vs Ch. Bhajan Lal And Ors., AIR 1992 SC 604:[1990] 3 Suppl. SCR 259, the powers under Section 482 Cr.P.C. could be exercised either to prevent an abuse of process of any court and/or otherwise to**
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secure the ends of justice. In the said decision this Court had carved out the exceptions to the general rule that normally in exercise of powers under Section 482 Cr.P.C. the criminal proceedings/FIR should not be quashed. [Para 6][343-F-H; 344-A-B]

2. Looking to the allegations in the present case against the respondents – accused and considering the fact that charge-sheet has been filed by the Vigilance Cell after a thorough investigation, it cannot be said that the case falls within any of the exceptions as carved out by this Court in para 102 in the case of Bhajan Lal (supra). It cannot be said that the criminal proceedings initiated against the respondents – accused are an abuse of process of any court. On the contrary, the allegations are an instance of abuse of the powers with a mala fide intention and allotment of the plots to the family members by hatching a criminal conspiracy and to allot the plots to the family members at throw away price causing loss to the B.D.A. and the public exchequer. [Para 6.1][345-C-E]

3. It is trite that the power of quashing should be exercised sparingly and with circumspection and in rare cases. As per settled proposition of law while examining an FIR/complaint quashing of which is sought, the court cannot embark upon any enquiry as to the reliability or genuineness of allegations made in the FIR/complaint. Quashing of a complaint/FIR should be an exception rather than any ordinary rule. Normally the criminal proceedings should not be quashed in exercise of powers under Section 482 Cr.P.C. when after a thorough investigation the charge-sheet has been filed. At the stage of discharge and/or considering the application under Section 482 Cr.P.C. the courts are not required to go into the merits of the allegations and/or evidence in detail as if conducting the mini-trial. As held by this Court the powers under Section 482 Cr.P.C. is very wide, but conferment of wide power requires the court to be more cautious. It casts an onerous and more diligent duty on the Court. [Para 6.2][345-E-H]

4. The allegations against the respondents – accused are very serious including hatching a criminal conspiracy in allotment of 10 plots in the discretionary quota arbitrarily and to their own

A family members/relatives. There are specific allegations with respect to huge loss caused to the B.D.A and the public exchequer, as according to the prosecution the plots were allotted at throw away prices. All these aspects are required to be considered at the stage of trial and not while considering the application under Section 482 Cr.P.C. [Para 7][346-G-H]

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5. The High Court has embarked upon an enquiry as to the reliability and genuineness of the evidence collected during the investigation as if the High Court was conducting the mini-trial. Therefore, as such the impugned judgment and order passed by the High Court quashing the criminal proceedings against the respondents herein - original accused Nos. 4, 5 and 3 is unsustainable, both, in law and/or facts and the same deserves to be quashed and set aside. [Para 9][349-F-G]

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6. Government and/or the public authorities like B.D.A. are the custodian of public properties. Allotment of public properties must be transparent and has to be fair and non-arbitrary. In such matters public interest only has to be the prime guiding consideration. The aforesaid principle is in order to get the best or maximum price so that it may serve the public purpose and public interest so as to avoid loss to the authority and/or the public exchequer. The allotment of plots in the discretionary quota cannot be at the whims of the persons in power and/or the public servants who are dealing with the allotment of plots in the discretionary quota. When a democratic government in exercise of its discretion selects the recipients for its largess, then discretion should be exercised objectively, rationally, intelligibly, fairly and in a non-arbitrary manner and it should not be subjective and according to the private opinion and/or the whims and fancies of the persons in power and/or the public servants. [Para 11][350-C-F]

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*State of Haryana And Ors. v. Ch. Bhajan Lal And Ors.*, AIR 1992 SC 604 : [1990] 3 Suppl. SCR 259 – relied on.

*K. Raju v. Bangalore Development Authority* decided by the Karnataka High Court in Writ Petition No. 11102 of 2008 – referred to.

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Case Law Reference

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**[1990] 3 Suppl. SCR 259      relied on      Para 6**

CRIMINAL APPELLATE JURISDICTION : Criminal Appeal  
Nos.1455-1456 of 2021.

From the Judgment and Order dated 04.09.2019 of the High Court  
of Orissa in CRLMC No.3177 of 2017 and CRLMC No.4804 of 2015.

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Gaurav Khanna, Adv. for the Appellant.

Bhakti Vardhan Singh, Tirth Kumar Sahu, Soumya Ranjan Paikray,  
Rajesh Kumar, Advs. for the Respondents.

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The Judgment of the Court was delivered by

**M. R. SHAH, J.**

1. Feeling aggrieved and dissatisfied with the impugned judgment  
and order passed by the High Court of Orissa dated 04.09.2019 passed  
in Criminal Miscellaneous Application No.3177 of 2017 and Criminal  
Miscellaneous Application No.4804 of 2015 by which the High Court  
has allowed the said applications under Section 482 of Cr.P.C. and has  
quashed the criminal proceedings against the private respondents herein  
- original accused Nos. 4, 5 and 3 – Smt. Pratima Mohanty, Shri Prakash  
Chandra Patra and Shri Rajendra Kumar Samal, the State of Odisha  
has preferred the present appeals.

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2. That an FIR was lodged by the Deputy Superintendent of Police,  
Vigilance, Vigilance Cell Unit Office, Bhubaneswar before the  
Superintendent of Police, Vigilance, Bhubaneswar Division, Bhubaneswar  
alleging *inter alia* that on preliminary enquiry it was found that certain  
public servants occupying crucial positions in Bhubaneswar Development  
Authority (hereinafter referred to as 'B.D.A.') and in the Housing and  
Urban Development Department, Government of Odisha (hereinafter  
referred to as, 'H.&U.D. Deptt.') surreptitiously distributed prime plots  
in Commercial Complex District Centre, Chandrasekharpur,  
Bhubaneswar. It was alleged that in pursuance of the criminal conspiracy  
and by abusing their official positions, the officials of the B.D.A. and of  
the H.&U.D. Deptt., Government of Odisha, surreptitiously distributed  
prime plots. That at the relevant time the original accused No.4 - Smt.  
Pratima Mohanty was serving as Steno to Vice-Chairman, B.D.A.  
Original accused No.5 - Shri Prakash Chandra Patra was serving as Jr.

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- A Assistant Allotment Section, B.D.A and original accused No.3 - Shri Rajender Kumar Samal was the Dealing Assistant, Allotment Section - II, B.D.A. and Personal Assistant to Minister, Housing and Urban Development (original accused No.6). Apart from the criminal conspiracy raised by all the accused persons it was further alleged that there was
- B no advertisement in providing opportunity to general public regarding availability of B.D.A. plots for sale and their sale prices. It was alleged that keeping the general public in dark, the public servants in B.D.A. (accused) who had access to such information as insiders, distributed the prime plots among themselves or their relatives and that too at minimal rates as compared to the prevalent rates in the area and thereby causing
- C undue pecuniary advantage to the allottees and corresponding loss to the B.D.A. and the public exchequer without any public interest.

- 2.1 It was further alleged that the wrongful loss caused to the B.D.A. was to the tune of Rs.30,27,849.80 and Rs.71,57,055.00. Therefore, it was alleged that all the accused persons have committed
- D the offences under Section 120B IPC and Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 (hereinafter referred to as 'the Act'). The FIR was numbered as PS Case No.31 of 2005. Since all the accused persons were Government servants working in B.D.A., Bhubaneswar, sanction orders for prosecution were obtained. After conclusion of the investigation, the investigating agency filed the
- E charge-sheet against all the accused persons along with the then Minister, H.&U.D. Deptt. on the accusation that they had entered into criminal conspiracy and committed criminal misconduct by abusing their official position showing undue official favour to their relatives and allowed illegal pecuniary advantage to the allottees in allotting 10 plots. As a result,
- F B.D.A. sustained huge loss and thereby making the accused liable for the offences under Section 13(2) read with Section 13(1)(d) of the Act and Section 420 read with Section 120B IPC. Five accused namely Shri Bibhuti Bhushan Ray, Shri Parsuram Biswal, Smt. Pratima Mohanty, Shri Rajendra Kumar Samal and Shri Prakash Chandra Patra approached the High Court by way of Criminal Miscellaneous Applications Nos.3177
- G of 2017 and 4804 of 2015 and prayed to quash the criminal proceedings against them in exercise of powers under Section 482 Cr.P.C.

- 2.2 By impugned common judgment and order the High Court has partly allowed the aforesaid applications and has quashed the criminal proceedings against Smt. Pratima Mohanty (original accused No.4), Shri
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Prakash Chandra Patra (original accused No.5) and Shri Rajendra Kumar Samal (original accused No.3) mainly on the ground that the said accused have not dealt with the allotment file in any manner and there is no material that any of these accused had influenced any co-accused or any officer of B.D.A. or H.&U.D. Deptt. for getting the plots illegally in favour of their family members. It was also further observed that there is no material on record that these accused acted with a pre-concert mind and they were in criminal conspiracy with the other co-accused to get the vacant plots.

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2.3 Feeling aggrieved and dissatisfied with the impugned common judgment and order passed by the High Court quashing the criminal proceedings against the private respondents herein - original accused Nos.4, 5 and 3 for the offences under Section 13(2) read with Section 13(1)(d) of the Act and Section 420 read with Section 120B IPC, the State has preferred the present appeals.

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3. Learned Counsel appearing on behalf of the appellant – State has vehemently submitted that in the present case the High Court has erred in quashing the criminal proceedings for the offences under Section 13(2) read with Section 13(1)(d) of the Act and Section 420 read with Section 120B IPC in exercise of powers under Section 482 Cr.P.C.

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3.1 It is submitted that while quashing the criminal proceedings against the respondents – accused the High Court has exceeded its jurisdiction vested under Section 482 Cr.P.C.

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3.2. It is submitted that the High Court has not at all appreciated and considered the fact that at the stage of considering the application under Section 482 Cr.P.C., the minute details of the case are not required to be gone into at all. It is submitted that in the present case it was found that the allotment of the 10 plots were made by the accused in connivance with each other arbitrarily and the plots were allotted to the relatives of the accused – public servants. It is submitted that no advertisement was issued by the B.D.A. inviting the applications from intending purchasers. The accused – officers deliberately concealed the matter from the general public and thus avoided competition. It is submitted that it was found that on the undated applications the plots were allotted to the relatives of the accused herein and public servants. It is submitted that therefore, the First Information Report was filed by the Vigilance Cell against the accused for the aforesaid offences. It is submitted that after a thorough

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- A investigation a charge-sheet has been filed before the learned Special Judge (Vigilance), Bhubaneswar. It is submitted that having found prima facie case and being satisfied that a case for the offences under Section 13(2) read with Section 13(1)(d) of the Act and Section 420 read with Section 120B IPC was made out, the learned Special Judge (Vigilance), Bhubaneswar has taken cognizance. It is submitted therefore the High Court ought not to have exercised the powers under Section 482 Cr.P.C. and not ought to have quashed the criminal proceedings.

- 3.3 It is submitted that as such the High Court quashed the criminal proceedings by scrutinising the FIR/material on record in detail as if the High Court was conducting a mini trial which is not permissible at the stage of exercising the powers under Section 482 Cr.P.C. It is submitted that the aforesaid approach is wholly impermissible as per the law laid down by this Court in a catena of decisions.

- 3.4 It is further submitted that even otherwise while quashing the criminal proceedings the High Court has not at all appreciated and considered the fact that the allegation was of hatching a criminal conspiracy by the public servants who all were connected one way or the other with allotment of the plots in the discretionary quota and that the allegations were for the offences under Section 120B IPC. It is submitted that the High Court by the impugned judgment and order has quashed the criminal proceedings mainly by observing that the respondents - accused have not dealt with the allotment file in any manner and that there is no material that any of the respondents - accused herein influenced any co-accused or any officer of B.D.A. or H.&U.D. Deptt. for getting the plots illegally in favour of their family members. It is submitted that the aforesaid aspects are required to be considered, established and proved at the time of trial. It is submitted that only a prima facie case is required to be considered at this stage and it is to be considered whether any prima facie case is made out for the offences alleged or not. It is submitted that in the present case there are specific allegations of favouritism and misusing the powers in allotting the plots to the family members and that a huge loss has been caused to the B.D.A. and the public exchequer. It is specifically alleged that relatives of the respondents – accused and other co-accused public servants, pursuant to a conspiracy, submitted applications on plain papers (not in the form prescribed in the brochure) and even some of the applications were undated. It is submitted that it has been found that the allotment of



the 10 plots were made arbitrarily and the respondents – accused got the plots allotted to the family members at throw away prices. It is urged that the High Court has erred in quashing the criminal proceedings against the respondents - accused for the serious allegations of corruption while allotting 10 plots arbitrarily to their family members by hatching the criminal conspiracy.

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4. Learned counsel appearing on behalf of the respondents – original accused Nos. 4, 5 and 3 has vehemently submitted that in the facts and circumstances of the case and having found that (i) the respondents - accused have no role in the fixation of price of 10 vacant plots; (ii) the respondents – accused have not dealt with the allotment file in any manner; (iii) there is no material that any of the three accused influenced any co-accused or any officer of B.D.A. or H.&U.D. Deptt. for getting the plots illegally in favour of their family members, the High Court has rightly quashed the criminal proceedings against them. It is submitted that having observed so the High Court has rightly quashed the criminal proceedings against the respondents – accused in exercise of its powers under Section 482 Cr.P.C.

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4.1 It is submitted that the High Court on appreciation of the material on record which was part of the charge-sheet has quashed the criminal proceedings and therefore the same may not be interfered with by this Court.

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5. We have heard learned counsel for the respective parties at length.

6. At the outset, it is required to be noted that by the impugned judgment and order the High Court in exercise of its powers under Section 482 Cr.P.C. has quashed the criminal proceedings for the offences under Section 13(2) read with Section 13(1)(d) of the Act and Section 420 read with Section 120B IPC. From the impugned judgment and order passed by the High Court, it appears that the High Court has entered into the merits of the allegations and has conducted the mini-trial by weighing the evidence in detail which, as such, as observed and held by this Court in a catena of decisions is wholly impermissible. As held by this Court in the case of **State of Haryana And Ors. vs Ch. Bhajan Lal And Ors.**, AIR 1992 SC 604, the powers under Section 482 Cr.P.C. could be exercised either to prevent an abuse of process of any court and/or otherwise to secure the ends of justice. In the said decision this

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A Court had carved out the exceptions to the general rule that normally in exercise of powers under Section 482 Cr.P.C. the criminal proceedings/ FIR should not be quashed. Exceptions to the above general rule are carved out in para 102 in **Bhajan Lal** (supra) which reads as under:

B “102. In the backdrop of the interpretation of the various relevant provisions of the Code under Chapter XIV and of the principles of law enunciated by this Court in a series of decisions relating to the exercise of the extraordinary power under Article 226 or the inherent powers under Section 482 of the Code which we have extracted and reproduced above, we give the following categories of cases by way of illustration wherein such power could be  
C exercised either to prevent abuse of the process of any court or otherwise to secure the ends of justice, though it may not be possible to lay down any precise, clearly defined and sufficiently channelized and inflexible guidelines or rigid formulae and to give an exhaustive list of myriad kinds of cases wherein such power  
D should be exercised.

(1) Where the allegations made in the first information report or the complaint, even if they are taken at their face value and accepted in their entirety do not prima facie constitute any offence or make out a case against the accused.

E (2) Where the allegations in the first information report and other materials, if any, accompanying the FIR do not disclose a cognizable offence, justifying an investigation by police officers under Section 156(1) of the Code except under an order of a Magistrate within the purview of Section 155(2) of the Code.

F (3) Where the uncontroverted allegations made in the FIR or complaint and the evidence collected in support of the same do not disclose the commission of any offence and make out a case against the accused.

G (4) Where, the allegations in the FIR do not constitute a cognizable offence but constitute only a non-cognizable offence, no investigation is permitted by a police officer without an order of a Magistrate as contemplated under Section 155(2) of the Code.

(5) Where the allegations made in the FIR or complaint are so absurd and inherently improbable on the basis of which no prudent  
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person can ever reach a just conclusion that there is sufficient ground for proceeding against the accused. A

(6) Where there is an express legal bar engrafted in any of the provisions of the Code or the concerned Act (under which a criminal proceeding is instituted) to the institution and continuance of the proceedings and/or where there is a specific provision in the Code or the concerned Act, providing efficacious redress for the grievance of the aggrieved party. B

(7) Where a criminal proceeding is manifestly attended with mala fide and/or where the proceeding is maliciously instituted with an ulterior motive for wreaking vengeance on the accused and with a view to spite him due to private and personal grudge.” C

6.1 Looking to the allegations in the present case against the respondents – accused and considering the fact that charge-sheet has been filed by the Vigilance Cell after a thorough investigation, it cannot be said that the case falls within any of the exceptions as carved out by this Court in para 102 in the case of **Bhajan Lal** (supra). It cannot be said that the criminal proceedings initiated against the respondents – accused are an abuse of process of any court. On the contrary, the allegations are an instance of abuse of the powers with a mala fide intention and allotment of the plots to the family members by hatching a criminal conspiracy and to allot the plots to the family members at throw away price causing loss to the B.D.A. and the public exchequer. D E

6.2 It is trite that the power of quashing should be exercised sparingly and with circumspection and in rare cases. As per settled proposition of law while examining an FIR/complaint quashing of which is sought, the court cannot embark upon any enquiry as to the reliability or genuineness of allegations made in the FIR/complaint. Quashing of a complaint/FIR should be an exception rather than any ordinary rule. Normally the criminal proceedings should not be quashed in exercise of powers under Section 482 Cr.P.C. when after a thorough investigation the charge-sheet has been filed. At the stage of discharge and/or considering the application under Section 482 Cr.P.C. the courts are not required to go into the merits of the allegations and/or evidence in detail as if conducting the mini-trial. As held by this Court the powers under Section 482 Cr.P.C. is very wide, but conferment of wide power requires the court to be more cautious. It casts an onerous and more diligent duty on the Court. F G H

- A           6.3 In the present case the allegations were with respect to allotment of 10 plots which were required to be allotted under the discretionary quota. It is not in dispute that at the relevant time the respondents – accused were connected with the Department concerned with regard to allotment of the plots directly or indirectly. Accused No.4 - Smt. Pratima Mohanty was serving as Steno to Vice-Chairman, B.D.A.
- B           As per the case of the prosecution an undated application for allotment of plots on plain paper was received from Shri Pradyumna Kumar Mohanty, brother of the accused - Smt. Pratima Mohanty. It is also the case on behalf of the prosecution that though the plot was applied in the name of her brother, after the allotment of the plot she is in possession of the same. So far as accused No.5 – Shri Prakash Chandra Patra is concerned, as per the case on behalf of the prosecution,an application on plain paper for allotment of plot of Ms. Rajalaxmi Samal, sister-in-law of the respondent – Shri Prakash Chandra Patra (accused No.5) was forwarded by the Minister of Housing Urban Development – Mr. Samer Dey (accused No.6) to Shri P.K. Pattanaik, Secretary, B.D.A. It is noted that at the relevant time the said accused was working as Jr. Assistant, Allotment Section, B.D.A. Pursuant to the aforesaid application the sister-in-law of the said accused has been allotted a plot. So far as accused No.3 - Rajendra Kumar Samal is concerned, as per the case of the prosecution and as alleged, an application was made for allotment of plot in favour of his wife who was Dealing Assistant, Allotment Section II, B.D.A. and Personal Assistant to Minister, Housing and Urban Development. It is noted that even the then Minister is the original accused No.6. As per the allegation the application was without any date and on the basis of such undated application, the plot has been allotted in favour of his wife.
- F           7. Therefore, considering the aforesaid it cannot be said that the criminal proceedings against the respondents – accused were in any way an abuse of process of law and/or the Court. The allegations against the respondents – accused are very serious including hatching a criminal conspiracy in allotment of 10 plots in the discretionary quota arbitrarily and to their own family members/relatives. There are specific allegations with respect to huge loss caused to the B.D.A and the public exchequer, as according to the prosecution the plots were allotted at throw away prices. All these aspects are required to be considered at the stage of trial and not while considering the application under Section 482 Cr.P.C.
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8. At this stage, the decision of the Karnataka High Court in the case of **K. Raju vs. Bangalore Development Authority in Writ Petition No.11102 of 2008** decided on 15.12.2010 dealing with a somewhat similar situation with respect to the allotment of plots in discretionary quota is required to be referred to. In that case also it was a case of allotment of the plots illegally and arbitrarily in the discretionary quota. Speaking from the Bench Justice S. Abdul Nazeer, J. as he then was has observed and held as under:

“It is well established that a public body invested with statutory powers has to take care not to exceed or abuse its powers. It must act within the limits of authority committed to it.”

“31. BDA is the custodian of public properties. It is not as free as an individual in selecting the recipients for its largess. For allotment of the properties, a transparent, and objective criteria/procedure has to be evolved based on reason, fair play and non-arbitrariness. In such action, public interest has to be the prime guiding consideration. In *Ramana Dayaram Shetty v. The International Airport Authority of India*, AIR 1979 SC 1628, the Apex Court has held that it must therefore be taken to be the law that even in the matter of grant of largesses including award of jobs, contracts, quotas, licences, the Government must act in fair and just manner and any arbitrary distribution of wealth would violate the law of land. In *Common Cause, A Registered Society v. Union of India*, (1996) 6 SCC 530, the Apex Court has held as under

The Government today - in a welfare State - provides large number of benefits to the citizens. It distributes wealth in the form of allotment of plots, houses, petrol pumps, gas agencies, mineral leases in contracts, quotas and licences etc., Government distributes largesses in various forms. A Minister who is the executive head of the department concerned distributes these benefits and largesses. He is elected by the people and is elevated to a position where he holds a trust on behalf of the people. He has to deal with the people's property in a fair and just manner. He cannot commit breach of the trust reposed in him by the people. In *Onkar Lal Bajaj and Ors. v. Union of India*, (2003) 2 SCC 673, the Apex Court has summarised the cardinal principles of governance, which is as follows:

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A           **35.** The expression “public interest” or “probity in governance” cannot be put in a straitjacket. “Public interest” takes into its fold several factors. There cannot be any hard-and-fast rule to determine what is public interest. The circumstances in each case would determine whether government action was taken in public interest or 02-12-2021 (Page 14 of 23)  
B           www.manupatra.com Hon’ble Mr. Justice M.R. Shah was taken to uphold probity in governance.

C           **36.** The role model for governance and decision taken thereof should manifest equity, fair play and justice. The cardinal principle of governance in a civilized society based on rule of law not only has to base a transparency but must create an impression that the decision making was motivated on the consideration of probity. The Government has to rise above the nexus of vested interests and nepotism and eschew window-dressing. The act of governance has to be withstand the test of judiciousness and impartiality and avoid arbitrary or capricious actions. Therefore, the principles of governance has to be tested on the touchstone of justice, equity and fair play and if the decision is not based on justice, equity and fair play and has taken into consideration other matters, though on the face of it, the decision may look legitimate but as a matter of fact, the reasons are not based on values but to achieve popular accolade, that decision cannot be allowed to operate.”  
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8.1 It is further observed after referring to the decision of this Court in the case of **Common Cause, A Registered Society** (supra) that if a public servant abuses his office whether by his act of omission or commission, and the consequence of that is injury to an individual or loss of public property, an action may be maintained against such public servant. It is further observed that no public servant can arrogate to himself powers in a manner which is arbitrary. In this regard we wish to recall the observations of this Court as under:  
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G           “The concept of public accountability and performance of functions takes in its ambit, proper and timely action in accordance with law. Public duty and public obligation both are essentials of good administration whether by the State or its instrumentalities.”[See **Delhi Airtech Services (P) Ltd. vs. State of U.P., (2011) 9 SCC 354**]  
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“The higher the public office held by a person the greater is the demand for rectitude on his part.” [See **Charanjit Lamba vs. Army Southern Command, (2010) 11 SCC 314**]

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“The holder of every public office holds a trust for public good and therefore his actions should all be above board.” [See **Padma vs. Hiralal Motilal Desarda, (2002) 7 SCC 564**]

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“Every holder of a public office by virtue of which he acts on behalf of the State or public body is ultimately accountable to the people in whom the sovereignty vests. As such, all powers so vested in him are meant to be exercised for public good and promoting the public interest. This is equally true of all actions even in the field of contract. Thus, every holder of a public office is a trustee whose highest duty is to the people of the country and, therefore, every act of the holder of a public office, irrespective of the label classifying that act, is in discharge of public duty meant ultimately for public good.” [See **Shrilekha Vidyarthi (Kumari) vs. State of U.P., (1991) 1 SCC 212**]

C

D

“Public authorities should realise that in an era of transparency, previous practices of unwarranted secrecy have no longer a place. Accountability and prevention of corruption is possible only through transparency.” [See **ICAI vs. Shaunak H. Satya, (2011) 8 SCC 781**]

E

Therefore, action has to be initiated against the officials who are prima facie responsible for the illegality in the allotment of the plots to the relatives and/or family members resulting in huge loss to the B.D.A. and the public exchequer.

9. While quashing the criminal proceedings the High Court has not at all adverted to itself the aforesaid aspects and has embarked upon an enquiry as to the reliability and genuineness of the evidence collected during the investigation as if the High Court was conducting the mini-trial. Therefore, as such the impugned judgment and order passed by the High Court quashing the criminal proceedings against the respondents herein - original accused Nos. 4, 5 and 3 – Smt. Pratima Mohanty, Shri Prakash Chandra Patra and Shri Rajendra Kumar Samal is unsustainable, both, in law and/or facts and the same deserves to be quashed and set aside.

F

G

10. In view of the above and for the reasons stated above present appeals succeed. Impugned common judgment and order passed by the

H

A High Court dated 04.09.2019 passed in Criminal Miscellaneous Application No.3177 of 2017 and Criminal Miscellaneous Application No.4804 of 2015 are hereby quashed and set aside in so far as quashing the criminal proceedings against original Accused Nos.4, 5 & 3 is concerned.

B Respondent Nos.4, 5 & 3 to face trial along with other co-accused.  
Present Appeals are accordingly allowed.

11. Before parting we may observe that now the day has come to do away with allotment of government largess on the basis of discretionary quota as this inevitably leads to corruption, nepotism and favouritism. Government and/or the public authorities like B.D.A. are the custodian of public properties. Allotment of public properties must be transparent and has to be fair and non-arbitrary. In such matters public interest only has to be the prime guiding consideration. The aforesaid principle is in order to get the best or maximum price so that it may serve the public purpose and public interest so as to avoid loss to the authority and/or the public exchequer. The allotment of plots in the discretionary quota cannot be at the whims of the persons in power and/or the public servants who are dealing with the allotment of plots in the discretionary quota.

When a democratic government in exercise of its discretion selects the recipients for its largess, then discretion should be exercised objectively, rationally, intelligibly, fairly and in a non-arbitrary manner and it should not be subjective and according to the private opinion and/or the whims and fancies of the persons in power and/or the public servants. Even if guidelines are issued to be followed while allotment of the plots under the discretionary quota and it is found that many a time they are hardly followed or are manipulated to suit the particular circumstances. Therefore, the best thing is to do away with such discretionary quota and allotments of the public properties/plots must be through public auction by and large. Even in the case where the policy decision is taken to allot the plots to a particular class – downtrodden class etc. in that case also the guidelines must be strictly followed and as observed hereinabove the allotment must reflect the fair play and non-arbitrariness and should have objective, criteria/procedure.