

A CENTRAL BUREAU OF INVESTIGATION, NEW DELHI

v.

M.N. SHARMA

(Criminal Appeal No. 1127 of 2008)

B JULY 21, 2008

[DR. ARIJIT PASAYAT AND HARJIT SINGH BEDI, JJ.]

Code of Criminal Procedure, 1973; Ss.389 and 482:

C *Suspension of conviction – Special Judge convicting*
accused employee for committing offences punishable un-
der s.13(1)(d) r/w s.3(2) of 1988 Act and s.120B IPC – Accused
filing application in terms of s.389(1) r/w s.482 Cr. P.C. – Con-
vicition stayed by High Court – Correctness of – Held: High
Court while directing suspension of conviction indicated no
reasons – Hence order of the High Court not sustainable and
set aside – Prevention of Corruption Act, 1988 – s.13(1)(d) r/w
s.13(2) – Penal Code, 1860 – s.120-B.

E Respondent, an employee, was convicted by the
Special Judge for committing offences punishable under
Ss. 7 and 13(1)(d) read with s.13(2) of the Prevention of
Corruption Act, 1988 and s. 120-B IPC and sentenced him
to undergo rigorous imprisonment accordingly. Respon-
dent filed an appeal which was admitted. During pendency
F of the appeal, respondent filed an application in terms of
s. 389(1) Cr.P.C. read with s.482 of the Code for suspen-
sion of the judgment. The High Court stayed the convic-
tion. Hence the present appeal.

G Appellant contended that the suspension of the con-
viction is clearly unsustainable.

H Respondent submitted that the High Court took note
of the fact that this was a case where the prayer for sus-
pension of the conviction was to be granted and unless
the order of conviction was suspended, the respondent

would have lost his job. A

Allowing the appeal, the Court

HELD: 1. Single Judge of the High Court while directing suspension of conviction indicated no reasons. Hence, the order of the Single Judge of the High Court directing the suspension/stay of the conviction cannot stand and is set aside. (Paras 10 & 11) [25-A & B] B

K.C. Sareen vs. CBI, Chandigarh (2001) 6 SCC 584; State of Maharashtra vs. Gajanan and Another (2003) 12 SCC 432; Union of India vs. Atar Singh (2003) 12 SCC 434 and State of Haryana vs. Hasmat (2004) 6 SCC 175 – referred to. C

2. The High Court to take up the matter and dispose of the appeal as early as practicable. (Para 12) [25 D] D

(2001) 6 SCC 584; Referred to 6,7,8 & 9

(2003) 12 SCC 432;

(2003) 12 SCC 434;

(2004) 6 SCC 175 E

CRIMINALAPPELLATE JURISDICTION : Criminal Appeal
No. 1127 of 2008

From the final Judgment and Order dated 3.2.2006 of the High Court of Delhi at New Delhi in Crl. Appeal No. 813/2005 F

A. Sharan, A.S.G., Vikas Sharma, Amit Anand Tiwari, B.K. Prasad and P. Parmeswaran for the Appellant.

Uday U. Lalit, Ashutosh Lohia, Gaurav Agrawal and Jyoti Mendiratta for the Respondent. G

The Judgment of the Court were delivered

DR. ARIJIT PASAYAT, J. 1. Leave granted.

2. Challenge in this appeal is to the order passed by a learned Single Judge of the Delhi High Court directing that the H

A conviction of the respondent shall remain stayed during the pendency of Criminal Appeal No.813 of 2005

3. Background facts in a nutshell are as follows:

Respondent who was working as Sub-Registrar, Tehasildar and was convicted by learned Special Judge, Tis Hazari Courts, Delhi, for offences punishable under Sections 7 and 13(1)(d) read with Section 13(2) of the Prevention of Corruption Act, 1988 (in short 'P.C. Act') and Section 120-B of the Indian Penal Code, 1860 (in short 'IPC') and sentenced to undergo rigorous imprisonment for a period of one year, 2 years and one year respectively and to pay a fine of Rs.2000/- with default stipulation. Against the judgment in question respondent filed the aforesaid Criminal appeal which was admitted. After admission of the appeal, respondent filed an application in terms of Section 389(1) of the Code of Criminal Procedure, 1973 (in short the 'Code') read with Section 482 of the Code for suspension of the judgment of learned Special Judge.

The High Court by order dated 3.2.2006 stayed the conviction. According to the appellant, the view expressed by this Court in *K.C. Sareen v. CBI, Chandigarh* [2001(6) SCC 584] was not kept in view. The High Court dismissed that application.

4. It is submitted by learned counsel for the appellant that the suspension of the conviction is clearly unsustainable. It is pointed out that the High Court noted that employer had given a notice for dispensing his services as Sub-Registrar.

5. Learned counsel for the respondent submitted that the High Court took note of the fact that this was a case where the prayer for suspension of the conviction was to be granted. Unless the order of conviction was suspended, the respondent would have lost his job.

6. In *State of Maharashtra v. Gajanan and Another* [2003 (12) SCC 432], it was noted as follows:

H

Having perused the impugned order as also the judgment of this Court in *K.C. Sareen's case* [2001(6) SCC 584] we find the High Court had no room for distinguishing the law laid down by this Court in *K.C. Sareen case supra* even on facts. This Court in the said case held: (SCC p. 589; para 11)

"11. The legal position, therefore, is this: though the power to suspend an order of conviction, apart from the order of sentence, is not alien to Section 389(1) of the Code, *its exercise should be limited to very exceptional cases. Merely because the convicted person files an appeal in challenge of the conviction the court should not suspend the operation of the order of conviction.* The court has a duty to look at all aspects including the ramifications of keeping such conviction in abeyance. It is in the light of the above legal position that we have to examine the question as to what should be the position when a public servant is convicted of an offence under the PC Act. No doubt when the appellate court admits the appeal filed in challenge of the conviction and sentence for the offence under the PC Act, the superior court should normally suspend the sentence of imprisonment until disposal of the appeal, because refusal thereof would render the very appeal otiose unless such appeal could be heard soon after the filing of the appeal. *But suspension of conviction of the offence under the PC Act, dehors the sentence of imprisonment as a sequel thereto, is a different matter.*"

(emphasis supplied)

In the said judgment of *K.C. Sareen's case* (supra) this Court has held that it is only in very exceptional cases that the court should exercise such power of stay in matters arising out of the Act. The High Court has in the impugned order nowhere pointed out what is the exceptional fact which in its opinion required it to stay the conviction. The High Court also failed to note the direction of this Court that it has a duty to look at all aspects including ramification

A of keeping such conviction in abeyance. The High Court,
in our opinion, has not taken into consideration any of the
above factors while staying the conviction. It should also
B be noted that the view expressed by this Court in *K.C.
Sareen case (supra)* was subsequently approved followed
by the judgment of this Court in *Union of India v. Atar
Singh [2003(12) SCC 434]*.

7. In *Union of India v. Avtar Singh & Anr. (2003(12) SCC
434)* it was held as follows:

C "This appeal is directed against the impugned order of
the High Court. The respondent-accused, who has been
convicted under Section 409 IPC and Section 13 OF THE
Prevention of Corruption Act, preferred an appeal to the
High Court, which has been entertained. On an application
D being filed under Section 389 of the Code of Criminal
Procedure, the High Court has suspended the conviction
solely on the ground that the non-suspension of conviction
may entail removal of the delinquent government servant
from service."

E 8. In *K.C. Sareen's case (supra)* it was noted as follows:

"11. The legal position, therefore, is this: though the power
to suspend an order of conviction, apart from the order of
sentence, is not alien to Section 389(1) of the Code, its
exercise should be limited to very exceptional cases.
F Merely because the convicted person files an appeal in
challenge of the conviction the court should not suspend
the operation of the order of conviction. The court has a
duty to look at all aspects including the ramifications of
keeping such conviction in abeyance. It is in the light of
G the above legal position that we have to examine the
question as to what should be the position when a public
servant is convicted of an offence under the PC Act. No
doubt when the appellate court admits the appeal filed in
challenge of the conviction and sentence for the offence
H under the PC Act, the superior court should normally

suspend the sentence of imprisonment until disposal of the appeal, because refusal thereof would render the very appeal otiose unless such appeal could be heard soon after the filing of the appeal. But suspension of conviction of the offence under the PC Act, dehors the sentence of imprisonment as a sequel thereto, is a different matter.

12. Corruption by public servants has now reached a monstrous dimension in India. Its tentacles have started grappling even the institutions created for the protection of the republic. Unless those tentacles are intercepted and impeded from gripping the normal and orderly functioning of the public offices, through strong legislative, executive as well as judicial exercises the corrupt public servants could even paralyse the functioning of such institutions and thereby hinder the democratic polity. Proliferation of corrupt public servants could garner momentum to cripple the social order if such men are allowed to continue to manage and operate public institutions. When a public servant is found guilty of corruption after a judicial adjudicatory process conducted by a court of law, judiciousness demands that he should be treated as corrupt until he is exonerated by a superior court. The mere fact that an appellate or revisional forum has decided to entertain his challenge and to go into the issues and findings made against such public servants once again should not even temporarily absolve him from such findings. If such a public servant becomes entitled to hold public office and to continue to do official acts until he is judicially absolved from such findings by reason of suspension of the order of conviction, it is public interest which suffers and sometimes, even irreparably. When a public servant who is convicted of corruption is allowed to continue to hold public office, it would impair the morale of the other persons manning such office, and consequently that would erode the already shrunk confidence of the people in such public institutions besides demoralising

A the other honest public servants who would either be the
colleagues or subordinates of the convicted person. If
honest public servants are compelled to take orders from
proclaimed corrupt officers on account of the suspension
of the conviction, the fallout would be one of shaking the
B system itself. Hence it is necessary that the court should
not aid the public servant who stands convicted for
corruption charges to hold only (*sic*) public office until he
is exonerated after conducting a judicial adjudication at
the appellate or revisional level. It is a different matter if a
C corrupt public officer could continue to hold such public
office even without the help of a court order suspending
the conviction.

13. The above policy can be acknowledged as necessary
for the efficacy and proper functioning of public offices. If
D so, the legal position can be laid down that when conviction
is on a corruption charge against a public servant the
appellate court or the revisional court should not suspend
the order of conviction during the pendency of the appeal
even if the sentence of imprisonment is suspended. It
E would be a sublime public policy that the convicted public
servant is kept under disability of the conviction in spite of
keeping the sentence of imprisonment in abeyance till the
disposal of the appeal or revision."

F 9. In *State of Haryana v. Hasmat* [2004(6) SCC 175] it
was noted as follows:

"6. Section 389 of the Code deals with suspension of
execution of sentence pending the appeal and release of
the appellant on bail. There is a distinction between bail
and suspension of sentence. One of the essential
G ingredients of Section 389 is the requirement for the
appellate court to record reasons in writing for ordering
suspension of execution of the sentence or order appealed.
If he is in confinement, the said court can direct that he be
H released on bail or on his own bond. The requirement of

recording reasons in writing clearly indicates that there has to be careful consideration of the relevant aspects and the order directing suspension of sentence and grant of bail should not be passed as a matter of routine.”

10. It is to be noted that learned Single Judge while directing suspension of conviction indicated no reasons.

11. Above being the position the order of the learned Single Judge, directing the suspension/stay of the conviction cannot stand and is set aside.

12. It is submitted by learned counsel for the appellant that hearing of the cases was posted to 22.5.2008. Since the cases of both M.N. Sharma and Roshan Lal Saini were not posted, the matter has been adjourned to 22.9.2008. We request the High Court to take up the matter and dispose of the appeal as early as practicable, preferably by end of 2008.

13. Appeal is allowed.

S.K.S.

Appeal allowed.