



CYGNUS GROUP OF COMPANIES

Cygnus House, 51, Panchanan Road, V.I.P. Bazar Crossing, E.M. By Pass, Kolkata 700 039, INDIA
Phone : +91 33 2345 2535 / 2537 / 2538, Fax : +91 33 2345 2536, Email : singhania@cygnusgroup.in

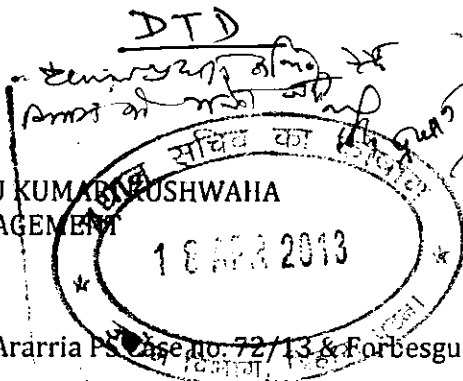
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15/04/13

Dated: 10th April, 2013

To

HON'BLE MINISTER DR. RENU KUMAR SHYAM
INDUSTRIES, DISASTER MANAGEMENT
GOVT. OF BIHAR



16/4/13
डॉ० रेणु कुमारी
उद्योग विभाग, बिकार, पटना

Regarding: Ararria PS Case no. 72/13 & Forbesgunj PS Case no. 13

Ref: Our earlier letter dated 11-Jan-2013, under heading "Implicating our Director Sri. Sanjay Singhania in a false and fabricated case with Forbesganj by some local contractors with the assistance of the local police."

Sub: False and frivolous prosecution by police abusing their office for extortion and financial blackmail in collusion with local contractors.

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Dear Sir,

Apropos of the above subject our previous letter dated 11-Jan-13 highlighted the integrated background of the facts inter alia the acquisition of land by our company from Dhananjay Construction Pvt. Ltd. which was the highest bidder in auction sale carried out by Indian Oil Corporation Ltd. the particular of the land measured approximately 1.64 (one point six four) hectares equivalent to 4.06 (four point zero six) acres, more or less lying, situate at and being Bulk Petroleum Depot, Station Road, Forbesganj, Police Station - Forbesganj, District Araria, Bihar (hereinafter referred to as the Said Land).

Not being a part of the local business community, from the very inception the Company faced stiff opposition from various persons who thought the Company to be their business rival. A Writ Petition was also filed in Patna High Court challenging the auction by Indian Oil Corporation which was finally disposed off in favor of the Company by upholding the auction.

Contd. The local mafia interfered with the development work of the Company at every stage and the contract work for the erection and development of the internal roads and pathways of the township, bricksoling and construction of the internal drainage systems had to be awarded to the local syndicate including one Mr. Sarfaraz to maintain peace.

Mazid Khan, having connections with local at Narpatganj, and having assured the Company that he had adequate expertise in the field was associated with the company as their commission agent for the smooth supervision and development of the Said Land and the marketing and selling of the individual independent plots at the said property. The work awarded to the local syndicates were to be carried out under the supervision and guidance of the said Mazid Khan.

The work for the erection and development of the internal roads and pathways of the township, bricksoling and construction of the internal drainage systems in the plot of land was entrusted by us to a local syndicate comprising of contractors headed by Sarfaraz. The job allotted to them was for Rs. 22 Lakhs for the said job for which we had already given more than Rs. 35 Lakhs to the syndicate but they did not perform according to their committed in specification and kept on demanding more money. Moreover the work is still incomplete and have not been completed. Later on they stooped down to the point of threatening us of dire consequences if we did not pay them further money in terms of their dictates.

During the development of the project Mazid Khan used to manage all the local problems and the project. Suddenly on 06.01.2013 at around 7.30 p.m. we came to learn from our persons at the project site that the local police had raided the hotel room where Mazid Khan was residing at Jyoti Hotel, Room No. 116 Farbesganj and recovered a 'jaw tooth' of an elephant there from. We were further informed that Mazid Khan has been arrested by the Local Police for smuggling. One SI of Police namely Bhramdev Pundit, leading the raid team, in his self statement (Fharad Byan) recorded the name of our director Sri. Sanjay Singhania as a conspirator. He also recorded that Mazid Khan on enquiry had stated that our Director, Sri. Sanjay Singhania had helped and advised him in such illegal action. Such allegation were clearly and categorically and emphatically denied / controverted by us since they were untrue and unjust made with a motive to cause our undue harassment at the instance of the local syndicate and business rivals to extort money from us. Neither the Company nor Sri Sanjay Singhania was

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or is involved in any smuggling activity. Unfortunately the local Police is hand in glove with the syndicate of land mafias and business rivals and are illegally and wrongfully assisting their unlawful and illegal venture to extort money from us. And hence the deliberate attempt of police in attributing certain statements to Mazid Khan in respect of Sanjay Singhania in almost a colorable exercise of power.

In that unfortunate episode the news hungry print media published news on 08.01.2013, 09.01.2013, 10.01.2013 and 11.01.2013, on being given briefings by the Superintendent of Police being Mr. S. W. Lande IPS even as investigation was yet to be concluded that declared our Director Sri. Sanjay Singhania and his Company as conspirators in the offence and they dealt in wild life, animals' skin and other parts of animal body in the name of the real estate business from the border areas. The Said Mr. S. W. Lande IPS, also made allegations against Sri. K. K. Singhania, the father of our Director Sri Sanjay Singhania accusing him of approaching him with bribe. Such baseless and untrue allegations from Mr. S. W. Lande IPS only goes to show the extent, over reach and connection of the said syndicate and our business rivals with the Local Police.

Left with no other option I protested against the illegal activity by letter dated 11-Jan-13 by virtue of which the matter was entrusted to Deputy Inspector General of Police for thorough enquiry and investigation. The same was done by the DIG Mr. Bachhu Singh Meena IPS and on one occasion our director Mr. Ajay Singhania was also present. During the said investigation the company and its director were given clean chit. Further in the presence of Ajay Singhania the SP Mr. S. W. lande IPS tendered an apology/regret for the mischief and injustice suffered by us. Subsequently the police reports including the reports of SP Mr. S. W. Lande IPS have also given clean chit to the company and their directors. The crux of the observation made out in the said reports under direct supervision of DIG has palpably made the following observation to hold that our company and the director has no complicity with the alleged offences. The observations are as follows:-

1. That this case is a fall out of a conspiracy hatched by Sarfaraz and his associates Minto Singh and Sawan Kumar, thereby confirming the allegation / contention taken by us.
2. The report of Mr. S. W. Lande (**copy enclosed herewith**) clearly, categorically state that it was Sarfaraz who informed over mobile no. 09631865186 of Tiger Mobile 104

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police personnel Ranbir Kumar Singh about the location of the inner tooth of elephant in the drawer of the dressing table lying between the bedstead of the hotel room no. 116 of the Jyoti Hotel.

3. The reports also take note Sarfaraz and his two associates were present in the hotel room of Mazid Khan in his absence, on the day of the incident, for three hours in order to meet him while Mazid Khan had gone for the lunch.
4. That after Mazid Khan arrived at the hotel it was Sarfaraz who informed police about the arrival of Mazid Khan and soon after telephonic call, Sarfaraz went away with his associates.
5. It was after telephonic information the police team conducted raid at the hotel which the police team has malafidely linked up "as on the spur of moment" while proceeding on raid to arrest another accused in another Forbesgunj PS Case.
6. More over the reports have also taken categorical note that the recovery of the articles was not made from the conscious possession of the accused nor there is any cogent evidence to suggest the complicity of the accused in the alleged offences.
7. The reports make abundantly clear that it is a case of false prosecution by planting the contraband articles by Sarfaraz and his men in the hotel room of Mazid Khan during the latter's absence.

Thus it can be concluded from the said reports that the local land mafia and the contractors and a section of police officials had conceived an unholy conspiracy with a motive of extortion and financial blackmail.

In spite of all these, various feelers are still being sent to us frequently by the syndicate criminals demanding ransom of Rs.1 Crore for buying peace and settlement and all problems, otherwise there will be no end to our problems and we will not be in a position to visit Forbesgunj or even Bihar. The said feelers and their representatives are following the movements of our employees at the site, on the thorough fares causing us tremendous fear tension and anxiety amongst us for safety and security. We are constantly being warned that nonpayment of their demands would land us in trouble for all our life as they have made a blue print in collusion with police officials to imprecate us in various false cases one after another in succession. And thus our life would be rendered a hell and ruined.

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It is very strange that even after the said reports, the Superintendent of Police, Araria Mr. S. W. Lande IPS, has become very vindictive for reasons of satisfying personal grudge self ego and lust for wealth. All this terror and pressure tactics employed by the said Mr. S. W. Lande IPS, due to our denial / inability to cough up their extortionate demands. In order to realise his shady game plan and mission we have reasons to believe that Mr. S. W. Lande IPS can stoop down to any level even to extent of abusing his official position to initiate false prosecution against us. Mr. S. W. Lande IPS has thrown aside all norms of criminal law and jurisprudence is regularly making several adverse statements against the company and its directors. He has even referred Mazid Khan as director of the company which is not the fact. Mazid Khan is not any office bearer in any capacity nor he is any director of the company. His association with the company is purely is on professional basis that is of a commission agent for the various deals of the company. The said news items are given in the form of bytes by Mr. Lande IPS without any recourse to truth or authenticity and the media is virtually on trail of sensational news in the rat race for grabbing such news without verifying the credentials of the source. Such false stories not only damage the reputation of the individuals affecting their business horizons but at the same time they are causing serious disinformation and such yellow journalism and / or scurrilous writing curbed to cubed by strong self regulatory in-house mechanism or a strong censorship laws in Bihar.

The glaring example of false prosecution has been started at the instance of Mr. S. W. Lande IPS by collusion and conspiracy with electricity supply dept alleging power theft of over Rs.18 lakhs though our company is not at all a consumer of electricity at any point of time. Our company has purchased entire land free from all encumbrances from the highest bidder Dhananjay Construction Pvt. Ltd. The alleged electricity dues is of Indian Oil Corporation who previously owned the entire land and / or that of the unit purchasers of plots who might have become consumers of electricity by application to the concerned department. We have only allotted of land to the respective purchasers and we never carried on any building or construction work either our personal purpose or any purchasers of plots. It is the purchasers themselves or their contractors who might have pilfered electricity by hooking or other means of thrift to carry out their works. Thus we have not even the remotest involvement or complicity in the power theft charge as falsely leveled against our company by MR. S. W. Lande

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IPS in his briefing to the newspapers which published such blasphemous reports against our company.

Further the Superintendent of Police Arraria, Mr. S. W. Lande IPS, has become overly zealous to throw spanner in the company works by crafting one story after another. He has even under duress and force got statement of the accused in case no. 72/13 recorded before a Magistrate falsely that one director of our company namely Sanjay Singhanian is assisting, aiding and abetting them in the illegal trades. The reasons for such impromptu zest in arraigning the said director as accused is made with malice of personal grudge and vendetta to extort and its squeeze the company and its directors. His dissemination of false stories of having obtained warrant of arrest proclamation and attachment against one of our directors is a pointer to gross abuse of official position and such police officer deserved to be prosecuted under Prevention of Corruption Act 1988 with all his delinquent subordinate officers who are part of this racket throwing business sentiment in the state haywires.

We are greatly shocked in horror that our first venture in Bihar could experience such grim animosity of the state administration and police who are giving tacit support to the local criminals for the extortion racket. However we feel threatened by the illegal and unlawful actions initiated by the Local Police to wrongfully implicate our Directors and to coerce us and to extort money from us. We apprehend that more Police cases might have been filed to prevent us from carrying on business in Forbesganj and to hamper our existing business there.

Due to the unnecessary adverse publicity engineered by Mr. S. W. Lande most of our dealings/bookings have been cancelled causing us continuous losses which might force us to abandon and or terminate all subsequent projects / investment in Bihar including the said project.

It appears that police in hand by gloves with people is running a racket on a large scale to extort money by pressuring them and giving false statement in media to malign their status and picture in society.

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Under the circumstances we would request you to kindly look into the matter and have the matter enquired and investigated into through an impartial and unbiased authority being CBI or any other agency with a senior officer not bellow the rank of Deputy Inspector General of Police at the state level so that truth comes out and justice may be done in the matter.

We would further request you to have Narco test of the all the persons involved in this case including Mr. S. W. Lande IPS, our Directors and all the concerned officers involved in the raids besides informer of police and Mazid Khan and such test should be directed urgently to ascertain the entire truth.

We undertake to provide all assistance as may be required by such authority in making such enquiry and/or investigation. We further undertake that if any of our company officials or directors are found involved in any of the alleged illegal activity then we are ready to face all consequences, even public hanging. At the same time it is our humble prayer to you that all delinquent police personnel relating to false and malicious prosecution of our company and its Directors must face proper and effective prosecution at the competent court of law and they should be subjected to exemplary sentence and punishment as provided in the laws of the land, besides direction for payment of compensation of unliquidated amount of money as a mark of deterrent to public servant so that they would shun abuse of official position and criminal misconduct for narrow vested interest.

You are requested to kindly act quickly in the matter to prevent further embarrassment and financial loss to us and to further have a high level inquiry and proceed against the corrupt police officials involved in the same.

Yours truly,

For **Cygnus Developers (India) Pvt. Ltd.**

S. Majumdar

Authorised Signatory

Enclosed : As Above