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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **BAIL APPLN. 1131/2026 & CRL.M.A. 8557/2026**

JAGDISH SHARMA

.....Petitioner

Through: Mr. Mohit Gupta, Mr. Chitranjan Tyagi, Mr. Kunal Khanna, Ms. Sonia Dhariwal, Advocates.

versus

STATE OF NCT OF DELHI

.....Respondent

Through: Ms. Shubhi Gupta, APP for the State.

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+ **BAIL APPLN. 1187/2026 & CRL.M.(BAIL) 610/2026**

NEERAJ SOOD

.....Petitioner

Through: Mr. Abhimanyu Kumar, Advocate.

versus

THE STATE (GOVT. OF NCT OF DELHI)

.....Respondent

Through: Ms. Shubhi Gupta, APP for the State.

CORAM:

HON'BLE MR. JUSTICE PURUSHAINDR KUMAR KAURAV

ORDER

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20.07.2026

1. The applicants by way of the present applications, seek grant of anticipatory bail in connection with FIR No.132/2022 dated 03.09.2022 registered at the Economic Offences Wing for the offences punishable under Sections 406/409/420/467/468/471/120-B of the Indian Penal Code, 1860 [“IPC”].

2. The aforesaid FIR has been registered on the complaint lodged by M/s



HeroFinCorp. Ltd. [**“HFCL”**], a Non-Banking Financial Company, alleging commission of financial irregularities and misappropriation of loan amounts by its Direct Selling Agent [**“DSA”**], namely M/s R.M. Automobiles, a partnership firm.

3. According to the prosecution, an amount of approximately Rs.8.16 crores, out of the total amount disbursed by HFCL to the said DSA, was allegedly misappropriated by not liquidating the previous loans of borrowers and by failing to transfer the sanctioned loan amounts to the concerned customers.

4. The applicant Jagdish Sharma claims to have been working as an employee of the complainant company and submits that his duties were confined to liaison and coordination with the DSA and uploading documents on the internal portal of the complainant company. It is his case that the verification of documents, appraisal of loan proposals and disbursement of funds were undertaken by different departments of HFCL and that he had no role in the alleged conspiracy or diversion of funds.

5. Further, the second applicant, Neeraj Sood, submits that he is the brother-in-law of the principal accused Rajiv Grover and that the financial transactions relied upon by the prosecution were merely private monetary dealings having no nexus with the alleged misappropriation of the complainant's funds.

6. It may be noted that both the applicants assert that they were neither named in the FIR nor attributed any specific role therein.

7. This Court, *vide* orders dated 20.03.2026 and 25.03.2026 passed in Bail Application No.1131/2026 and Bail Application No.1187/2026, while issuing notice, directed that no coercive steps be taken against the



applicants, subject to their joining the investigation as and when called upon by the Investigating Officer [“IO”] and extending full cooperation during the course of investigation.

8. During the pendency of the present applications, status reports and objections have been filed by the State as well as by the complainant. It remains undisputed that, pursuant to the interim protection granted by this Court, both the applicants joined the investigation as and when required by the IO. Learned counsel appearing for the applicants submit that they have cooperated throughout the investigation and undertake to continue extending full cooperation throughout the course of the proceedings.

9. The applications are, however, opposed by the State as well as the complainant. Learned APP for the State and learned counsel appearing for the complainant, while placing reliance upon the status reports filed during the course of investigation, submit that sufficient material has surfaced indicating the involvement of both the applicants in the alleged commission of offences and that their custodial interrogation is necessary for an effective and complete investigation. It is, therefore, contended that the applicants are not entitled to the extraordinary relief of anticipatory bail.

10. It is further alleged that in September, 2021, upon receipt of several complaints from borrowers, HFCL conducted an internal inquiry, which revealed that an amount of approximately Rs.8,16,36,363/- had been misappropriated by M/s R.M. Automobiles by neither liquidating the previous loans of the borrowers nor transferring the sanctioned loan amounts to their respective accounts. The investigation further reveals that M/s R.M. Automobiles, had received funds from HFCL in respect of 163 borrowers. Although documents and cheques were allegedly collected from the



borrowers for processing the loans, the sanctioned amounts were not credited to their accounts and, in several instances, the borrowers continued to bear the liability of repayment. It is on the basis of the aforesaid allegations that the present FIR came to be registered and investigation commenced. It is also alleged that, despite the loan amounts not being credited to the borrowers, EMIs were deducted in several cases against the proposed loans.

11. I have heard the submission made on behalf of both the parties and have perused the record.

12. The role of the accused Jagdish Sharma has been assigned as under:

- a) *He is an employee of the complainant company, M/s Hero Fincorp, and was entrusted with the responsibility of liaison work, coordination, and handling all documentation related to RM Automobiles.*
- b) *During the investigation, it has been found that he misused his position and facilitated the fraudulent activities by failing to report discrepancies and by actively assisting the main accused Rajiv Grover in processing and enabling the fraudulent transactions.*
- c) *That he was in regular contact with Sanjay Jain, the accountant of RM Automobiles. Sanjay Jain disclosed that Jagdish Sharma frequently visited the RM Automobiles office and used to interfere in the functioning and internal matters of the firm.*
- d) *The staff responsible for borrower verification was also working under his supervision. Evidence indicates that the fraud was facilitated through the misuse of this authority and control.*
- e) *He used to have funds transferred into the accounts of employees of RM Automobiles, which were subsequently misappropriated for personal gain. This clearly establishes his collusion in the diversion of funds.*

13. It is pertinent to note that this Court, *vide* order dated 20.03.2026 passed in Bail Application No. 1131/2026, while issuing notice in the



present application, recorded the clarification made by the learned APP for the State that the person namely “Jagdish Sharma”, whose account maintained with Yes Bank was stated to have received certain amounts during the course of investigation, had not been found to be the present applicant. It was further recorded that the same clarification had also been made before the Sessions Court at the time of hearing of the applicant’s anticipatory bail application.

14. Whereas, the application of Neeraj Sood is opposed on the following grounds:

- a) *That the investigation has revealed sufficient oral and documentary evidence to establish the involvement/complicity of the accused Neeraj Sood in the commission of the above offences.*
- b) *That the scrutiny of Aviral automobile's account revealed that Neeraj Sood received the misappropriated funds originating from RM Automobiles and subsequently utilized those funds for his personal benefit.*
- c) *That the adequate evidence against the accused is already on record. The bank account statements clearly demonstrate that he diverted funds from RM Automobiles to his personal and his firm accounts*
- d) *That accused Rajiv Grover was evasive and avoided his presence, failing to join the investigation despite the issuance of several notices. On 23.09.2025, acting on secret information, he was apprehended from beneath the office premises of accused Neeraj Sood.*
- e) *That the particulars of the concealed accounts have been duly mentioned hereinabove. Further, subsequent to the arrest of the main accused persons, Rajiv Grover and Mahesh Rawat, the involvement of accused Neeraj Sood was revealed.*
- f) *That during analysis of accused Neeraj Sood accounts, it revealed that huge sum has been received in his accounts from HDFC Bank A/c No. 50200029901572 of R.M. Automobiles.*



- g) That the involvement of the co-accused persons as well as accused Neeraj Sood surfaced only during the course of investigation upon analysis of material evidence. Accordingly, notices under Sections 91 and 41A CrPC. were issued at the appropriate stage.*
- h) That the investigation revealed that the firm M/s Aviral Automobile was incorporated in collusion with accused Rajiv Grover.*
- i) The offences are serious in nature, affecting larger public and financial interests, and the interrogation of other alleged employees of M/s R.M. Automobiles and the complainant company is currently ongoing.*
- j) The accused, Neeraj Sood, is not cooperating and is providing evasive responses. If granted anticipatory bail, the accused may feel emboldened and, though he may formally attend the investigation, he is unlikely to cooperate in a meaningful manner, thereby causing obstruction and hampering the fair and effective progress of the investigation.*
- k) That the custodial interrogation of accused Neeraj Sood is required to ensure disclosure of the concealed information, as he has failed to furnish complete details of all accounts and has deliberately withheld or suppressed material information.*
- l) Matter of record*
- m) The offences, which include forgery, fabrication, and the use of forged documents, are serious and non-bailable, involving criminal breach of trust and fraud. Such offences undermine public confidence in financial and banking systems and cannot be treated as mere civil disputes*
- n) That, despite specific directions of the Hon'ble Court to furnish details of the documents sought by the IO, he failed to disclose complete and material information and intentionally concealed the Axis Bank account.*
- o) Need no response*
- p) That the conduct of the accused reflects non-cooperation and concealment of material information.*
- q) The custodial interrogation is required.*



r) As above.

15. The Supreme Court, in **Gurbaksh Singh Sibbia & Ors. v. State of Punjab¹**, has held as under:

12. It is true that the functions of judiciary and the police are in a sense complementary and not overlapping. An order of anticipatory bail does not in any way, directly or indirectly, take away from the police their right to investigate into charges made or to be made against the person released on bail. In fact, two of the usual conditions incorporated in a direction issued under section 438(1) are those recommended in Sub-section (2)(i) and (ii) which require the applicant to co-operate with the police and to assure that he shall not tamper with the witnesses during and after the investigation. While granting relief under Section 438(1), appropriate conditions can be imposed under Section 438(2), so as to ensure an uninterrupted investigation. One of such conditions can even be that in the event of the police making out a case of a likely discovery under Section 27 of the Evidence Act, the person released on bail shall be liable to be taken in police custody for facilitating the discovery. Besides, if and when the occasion arises, it may be possible for the prosecution to claim the benefit of Section 27 of the Evidence Act in regard to a discovery of facts made in pursuance of information supplied by a person released on bail.

[Emphasis Supplied]

16. Further, the Supreme Court, in **P. Chidambaram v. Central Bureau of Investigation²**, while considering the principles governing grant of bail in an economic offence, held as under:

22. The jurisdiction to grant bail has to be exercised on the basis of the well-settled principles having regard to the facts and circumstances of each case. The following factors are to be taken into consideration while considering an application for bail:- (i) the nature of accusation and the severity of the punishment in the case of conviction and the nature of the materials relied upon by the prosecution; (ii) reasonable apprehension of tampering with the witnesses or apprehension of threat to the complainant or the witnesses; (iii) reasonable possibility of securing the presence of the accused at the time of trial or the likelihood of his abscondence; (iv) character behaviour and standing of

¹ (1980) 2 SCC 565

² (2020) 13 SCC 337



the accused and the circumstances which are peculiar to the accused; (v) larger interest of the public or the State and similar other considerations (vide Prahlad Singh Bhati v. NCT, Delhi and another (2001) 4 SCC 280). There is no hard and fast rule regarding grant or refusal to grant bail. Each case has to be considered on the facts and circumstances of each case and on its own merits. The discretion of the court has to be exercised judiciously and not in an arbitrary manner. At this stage itself, it is necessary for us to indicate that we are unable to accept the contention of the learned Solicitor General that “flight risk” of economic offenders should be looked at as a national phenomenon and be dealt with in that manner merely because certain other offenders have flown out of the country. The same cannot, in our view, be put in a straight-jacket formula so as to deny bail to the one who is before the Court, due to the conduct of other offenders, if the person under consideration is otherwise entitled to bail on the merits of his own case. Hence, in our view, such consideration including as to “flight risk” is to be made on individual basis being uninfluenced by the unconnected cases, more so, when the personal liberty is involved.

26. As discussed earlier, insofar as the “flight risk” and “tampering with evidence” are concerned, the High Court held in favour of the appellant by holding that the appellant is not a “flight risk” i.e. “no possibility of his abscondence”. The High Court rightly held that by issuing certain directions like “surrender of passport”, “issuance of look out notice”, “flight risk” can be secured. So far as “tampering with evidence” is concerned, the High Court rightly held that the documents relating to the case are in the custody of the prosecuting agency, Government of India and the Court and there is no chance of the appellant tampering with evidence.

17. Applying the aforesaid principles to the facts of the present case, this Court finds that both the applicants have remained protected by the interim orders passed by this Court and have joined the investigation as and when called upon by the IO. It is also not disputed that they have continued to cooperate with the investigation. Further, no material has been placed on record to indicate that either applicant has attempted to evade the investigation, tamper with evidence or influence any witness. Therefore, the apprehension of the prosecution that the grant of anticipatory bail would



impede the investigation is unfounded.

18. This Court further finds that the allegations against the applicants primarily arise out of financial transactions, banking records and other documentary material, most of which has already been collected by the Investigating Agency. Apart from a general assertion that custodial interrogation is necessary, the prosecution has failed to demonstrate any specific investigative purpose which cannot be achieved by directing the applicants to continue joining the investigation. The facts of the present case, therefore, squarely satisfy the parameters laid down by the Supreme Court in **P. Chidambaram(supra)**, inasmuch as the evidence is predominantly documentary in nature, there is no material to indicate any likelihood of tampering with the evidence or abscondence, and the applicants have continued to cooperate with the investigation. Accordingly, this Court is of the considered opinion that custodial interrogation of the applicants is not warranted.

19. Bearing in mind the overall facts and circumstances of the case, the applicants are granted anticipatory bail, subject to the conditions stipulated under Section 438(2) Cr.P.C./Section 482(2) BNSS, as applicable, including that they shall continue to join the investigation as and when called upon by the Investigating Officer and shall cooperate with the investigation. They be release on bail in the event of their arrest on furnishing surety to the amount of the satisfaction of the IO.

20. The applications stand disposed of.

PURUSHAINDRA KUMAR KAURAV, J

JULY 20, 2026

P/ss