**IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

**109** **CRM-M-40917-2025**

**Date of decision: 31.07.2025**

Gurnam Singh

....Petitioner

V/s

State of Punjab

....Respondent

**CORAM: HON'BLE MR. JUSTICE SUMEET GOEL**

Present: Mr. Ashadveer Singh, Advocate for the petitioner.

Mr. Gurpartap S. Bhullar, AAG Punjab.

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**SUMEET GOEL, J. (Oral)**

1. Present petition has been filed under Section 482 of Bharatiya Nagarik Suraksha Sanhita, 2023 (hereinafter to be referred as 'the BNSS') for grant of pre-arrest/anticipatory bail to the petitioner in case bearing FIR No.134 dated 27.06.2024, registered for the offences punishable under Sections 420 and 120-B of IPC at Police Station City Sangrur, District Sangrur, Punjab.

2. The gravamen of the FIR in question pertains to defrauding the complainant namely Harbans Singh son of Amarjit Singh, resident of Village Bharur, Tehsil Sunam, District Sangrur. He alleged that on 10.12.2022, the petitioner alongwith other accused approached him and other fellow villagers and accordingly a meeting was scheduled at Design Hotel, Sangrur, where they induced us with promises of a 10% interest return and assured that their invested amounts would be tripled within a period of 12 months. Subsequently, on 22.12.2022, a follow-up meeting was conducted by the petitioner alongwith other accused at Yadwinder Hotel, Sangrur where various accounts of the investors were opened under the

name of the company. Thereafter, multiple meetings were held by the accused to reinforce their claims. The complainant alongwith other investors possess photographic and video evidence of these gatherings which clearly depict the misleading assurances of the accused. A total of approximately 20/25 persons of the investors, including the complainant, deposited funds with the accused, amounting to approximately Rs.31.00 lacs. It was further alleged that despite repeated follow-ups, neither the promised interest nor the principal amounts were returned. Consequently, on 10.09.2023, the complainant alongwith others villagers submitted an application to the Hon'ble Senior Superintendent of Police, Sangrur. The matter was subsequently taken up by the Economic Offences Wing, which summoned the accused for the inquiry. During the course of the investigation, the accused admitted their wrongdoing and assured repayment of the amounts. Thereafter, a Panchayati compromise was reached, wherein the accused requested additional time and in lieu of repayment issued various cheques. However, when these cheques were presented for encashment, they were dishonoured, some due to insufficient funds and others due to incorrect or forged signatures. It was alleged by the complainant that he alongwith other investors were being subjected to unnecessary harassment by the accused. On the basis of the aforesaid complaint, instant FIR has been registered against the petitioner and investigation ensued.

3. Learned counsel for the petitioner has iterated that the present FIR is a gross misuse of the process of law and has been lodged with *mala fide* intent, solely to harass and falsely implicate the petitioner. Learned counsel has further iterated that a bare reading of the FIR does not disclose the commission of any cognizable offence by the petitioner. The allegations

are general, vague and lack material with regard to the role played by the petitioner. According to learned counsel, his name has been dragged into the matter without any supporting material or evidence. Furthermore, the complainant has deliberately concealed vital facts as he has been actively functioning as an agent of the company and hence in order to shift the blame and shield himself from the liability, the complainant has now falsely implicated the petitioner as a scapegoat. It has been further submitted that the investigation itself reveals that there is no documentary evidence or material on record to substantiate the alleged transfer of funds to the petitioner. Neither there is any allegation of misappropriation of funds by the petitioner nor is there any recovery or incriminating material. Learned counsel asserts that the allegations levelled against the petitioner in the impugned FIR are entirely baseless and devoid of any credible or cogent material. According to learned counsel, in the absence of substantive and incomplete material, the entire prosecution narrative is nothing but an abuse of process. Lastly, it has been further argued that there is no need for custodial interrogation of the petitioner, as nothing incriminating remains to be recovered from him. Moreover, there is no likelihood of the petitioner absconding from the process of justice in case he is enlarged on pre-arrest bail. On strength of these submissions, the grant of anticipatory bail is entreated for.

4. On the strength of the advance notice, learned State counsel has opposed the grant of anticipatory bail to the petitioner by arguing that the offence committed by the petitioner is serious in nature. He submits that the FIR in question pertains to grave allegations of cheating, criminal breach of trust and misappropriation of funds to the tune of approximately Rs.31.00

lacs which has been collected from 20-25 persons, including the complainant. According to learned State counsel, the petitioner, alongwith accused, is alleged to have allured innocent persons with false promise of returning their investment three times and also providing 10% monthly interest. He has further contended that the FIR contains sufficient allegations warranting a thorough investigation and the role attributed to the petitioner is under active investigation. He has further contended that in light of the seriousness of the allegations, the custodial interrogation of the petitioner is imperative for a fair and thorough investigation. He has further emphasized that releasing the petitioner on bail at this crucial stage may hamper the ongoing investigation and potentially lead to tampering with evidence or influencing of witnesses. Accordingly, a prayer has been made for the dismissal of the instant petition in order to facilitate effective investigation into the alleged offence.

5. I have heard the learned counsel for the rival parties and have gone through the available record of the case.

6. As per the case put forth in the FIR in question, indubitably, serious allegations have been levelled against the petitioner. The FIR *ibid* was lodged on the basis of a complaint filed by the complainant who alleged that on 10.12.2022, the petitioner, along with co-accused, approached him alongwith other investors and accordingly a meeting was scheduled at Design Hotel, Sangrur, where they were induced to invest with promise of 10% interest and three times return of their capital within 12 months. Thereafter, several accounts were opened in the name of the company of some investors. Subsequently, multiple meetings were held to reinforce the claim made by the petitioner alongwith co-accused. Approximately 20/25

individuals invested a collective sum of ₹31 lakhs with the accused, but despite repeated follow-ups, neither the promised returns nor the principal amount were ever repaid to the petitioner and other investors. Upon perusal of the material available on record, this Court is of the considered opinion that the allegations levelled in the FIR are serious in nature and, at this stage, *prima facie* disclose a well-orchestrated financial fraud involving multiple individuals who were allegedly induced under the pretext of lucrative returns. The petitioner has been specifically named and is alleged to have played an active as well as participatory role in the execution of the fraudulent scheme, which purportedly caused wrongful loss to numerous investors and unlawful gain to the accused. Furthermore, the delay in lodging the FIR appears to be reasonably explained in light of the nature of the alleged offence. In cases of financial fraud, victims often refrain from immediate legal recourse owing to repeated assurances of repayment and fear of losing their invested sums altogether. Hence, the delay in itself cannot be deemed fatal to the prosecution case at this stage. Moreover, the existence of a purported compromise or private settlement does not automatically exonerate the accused from criminal liability. It is well settled that in offences involving cheating and criminal breach of trust, particularly of an economic nature, the impact on public interest must be given paramount consideration. Such offences not only undermine the financial security of individuals but also erode public confidence in lawful financial transactions.

7. The investigation is at nascent stage and the recovery of crucial documentary evidence coupled with siphoned amount as also other circumstances detailed in the investigation, points towards the active

complicity of the petitioner in the alleged offence and to defraud the complainant and other investors. The stand of the State before this Court is that the custodial interrogation of the petitioner is indispensable for the purpose of effectively recovering the siphoned amount. The nature and gravity of the offence, involving defrauding the complainant, necessitate a thorough investigation, which, at this stage, cannot be conducted without the petitioner being in custody. Moreover, no exceptional or compelling circumstance has been demonstrated which would warrant the grant of anticipatory bail in such a serious offence. The petitioner, in a calculated and fraudulent manner, proceeded to defraud the complainant and other investors.

8. It is befitting to mention here that while considering a plea for grant of anticipatory bail, the Court has to equilibrate between safeguarding individual rights and protecting societal interest(s). The Court ought to reckon with the magnitude and nature of the offence; the role attributed to the accused; the need for fair and free investigation as also the deeper and wide impact of such alleged iniquities on the society. It is imperative that every person in the Society can expect an atmosphere free from foreboding & fear of any transgression. At this stage, there is no material on record to hold that *prima facie* case is not made out against the petitioner. The material which has come on record and preliminary investigation, appear to be established a reasonable basis for the accusation of the petitioner. Thus, it is not appropriate to grant anticipatory bail to the petitioner, as it would necessarily cause impediment in effective investigation. In ***State v. Anil Sharma, (1997) 7 SCC 187 : 1997 SCC (Cri) 1039]***, the Supreme Court held as under : (SCC p.189, para 6)

> *"6. We find force in the submission of CBI that custodial interrogation is qualitatively more elicitation-oriented than questioning a suspect who is well-ensconced with a favourable order under Section 438 of the Code. In a case like this, effective interrogation of a suspected person is of tremendous advantage in disinterring many useful informations and also materials which would have been concealed. Success in such interrogation would elude if the suspected person knows that he is well protected and insulated by a pre-arrest bail order during the time he is interrogated. Very often interrogation in such a condition would reduce to a mere ritual. The argument that the custodial interrogation is fraught with the danger of the person being subjected to third-degree methods need not be countenanced, for, such an argument can be advanced by all accused in all criminal cases. The Court has to presume that responsible police officers would conduct themselves in a responsible manner and that those entrusted with the task of disinterring offences would not conduct themselves as offenders."*

9. Accordingly, this Court is of the considered opinion that the petitioner does not deserve the concession of anticipatory bail in the factual *milieu* of the case in hand. Moreover, custodial interrogation of the petitioner is necessary for an effective investigation to trace the flow of funds and to uncover the entire conspiracy.

10. In view of the prevenient ratiocination, it is directed as under:

(i) The petition in hand is dismissed being devoid of merits.

(ii) Nothing said hereinabove shall be deemed to be an expression of opinion upon merits of the case/investigation.

(iv) Pending application(s), if any, shall also stand disposed off.

**(SUMEET GOEL)**
**JUDGE**

July 31, 2025
*Ajay*

Whether speaking/reasoned: Yes/No
Whether reportable: Yes/No