



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

109

CRM-M-67760-2025 (O&M)

Date of decision: 09.12.2025

M/s. CanFin Homes Ltd. Non-Banking Financial Company (NBFC)

...Petitioner(s)

VERSUS

State of Haryana and others

...Respondent(s)

CORAM : HON'BLE MR. JUSTICE VINOD S. BHARDWAJ

Present :- Mr. Aman Arora, Advocate and
Mr. Archit Rana, Advocate for the petitioner(s).

VINOD S. BHARDWAJ, J. (Oral)

1. The instant petition has been filed for cancellation of bail granted to respondent No.3/Vivek Bhagat in case bearing FIR No.360 dated 23.07.2023 registered under Sections 120-B, 420 and 409 of the Indian Penal Code, 1860 at Police Station Baldev Nagar, Ambala and for setting aside the order dated 15.10.2025 passed by Additional Sessions Judge, Ambala whereby regular bail was granted to respondent No.3 without notice or hearing the petitioner (complainant).

2. Counsel for the petitioner has vehemently argued that the petitioner is a Non-Banking Financial Company (NBFC), which is a duly owned subsidiary of Canara Bank. He contends that respondent No.3, who was a previous employee of the Bank, had committed huge financial embezzlement to the tune of nearly Rs.38.52 crore. He contends that in the first complaint dated 22.07.2023, four fraudulent transactions amounting to a sum of Rs.1.43 crores had been referred to, thus resulting in registration of

FIR No.360 dated 23.07.2023 for offence under Sections 420/409/120-B of the Indian Penal Code, 1860 at Police Station Baldev Nagar, Ambala. It is contended that the investigation established that respondent No.3, in connivance with his wife Priyanka and his two relatives, namely Harpal and Sukhbir and his senior Deepak Gupta, made a total of 193 fraudulent transactions from the account of the company, establishing a well-executed fraud and thus causing immense loss to the petitioner (NBFC). It is submitted that while granting the concession of bail, the Additional Sessions Judge Ambala wrongly noted that the fraud was only to the tune of Rs.1.43 crores, whereas it was for a sum of Rs.38.52 crores. He further contends that, being an aspect of public funds, greater caution was required to be exercised while granting the concession of bail. He further contends that the offence under Section 409 of the Indian Penal Code, 1860 entails punishment up to life, hence, commensurate gravity of the offence ought to have been taken into consideration while considering the bail application of respondent No.3. He further places reliance on the judgment of the Supreme Court in the matter of '**Y.S. Jagan Mohan Reddy Vs. Central Bureau of Investigation**' reported as **2013 (3) RCR (Criminal) 108**, wherein it had been recorded that in economic offences, a different approach is required to be adopted while considering the bail matters since they constitute a class apart.

3. I have heard the learned counsel appearing on behalf of the petitioner and have gone through the documents appended with the instant petition with his able assistance.

4. So far as the first argument of the counsel for the petitioner is concerned that the Additional Sessions Judge, Ambala had granted bail to

respondent No.3 by noticing an incorrect fact about the embezzlement being to the tune of Rs.1.43 crores approximately instead of Rs.38.52 crores, the said aspect flows from the specific complaint that had been initially made by the Bank at the time of registration of the FIR, the allegation was only with respect to 04 fraudulent transactions. The predominant factor for grant of bail, however, was that respondent No.3 was taken in custody on 25.07.2023 and he had already undergone an actual custody of more than 02 years 03 months in a Magisterial trial.

5. A specific question was put to the counsel for the petitioner as to what the status of the trial is and how many witnesses remained to be examined, Counsel for the petitioner is not in a position to give any specific detail regarding the same or to respond to the aforesaid query. I find that the period of actual custody undergone by respondent No.3 in the aforesaid case pertaining to a Magisterial trial was, in fact, the primary ground for the Additional Sessions Judge to grant bail. Invariably, non-mentioning of the subsequent discoveries during investigation would not tantamount to any incorrect recital in the order but would only amount to noticing the fact that led to the initiation of criminal proceedings.

6. While the observations recorded by the Supreme Court in the matter of ***Y.S. Jagan Mohan Reddy*** (supra) are not disputed, however, in the said case, bail had been granted within a period of less than 01 year. In the present case, respondent No.3 (herein) has already undergone an actual custody of more than 02 years 03 months and the trial is unlikely to conclude within a short time. The evasion on the part of the petitioner to apprise the status of the trial shows that not much progress has been made in the trial itself, which leads this Court to infer that the trial is not likely to

conclude soon.

7. The gravity of the offence prescribed would not by itself be sufficient to prolong the custodial incarceration of an accused. In a Magisterial trial, statutory rights accrue in favour of an accused in case the trial is not concluded within a specified period, i.e. after the charge has been framed and the case is fixed for recording of the evidence. Such statutory rights might not flow in favour of an accused facing a Sessions trial. Consequently, the yardstick to be applied for the grant of bail in a Magisterial trial is quite at variance from the yardstick that would be applicable in Sessions cases. The custody of two years in a Magisterial trial cannot be said to be insufficient for allowing the concession of bail.

8. Counsel for the petitioner is also not in a position to inform as to when the charges in the present case were framed and when the case was fixed for the recording of prosecution evidence. The failure to give a response to the aforesaid issues weighs against the petitioner and persuades this Court to infer that an answer to the said questions may not subserve the larger interest of the petitioner (herein) and conveniently, the said information is being withheld and not being shared with the Court.

9. Consequently, the present petition is ***dismissed***, finding no illegality, perversity or impropriety in the order passed by the Additional Sessions Judge, Ambala and also not finding any undue exercise of discretion vested in a Court.

(VINOD S. BHARDWAJ)
JUDGE

09.12.2025

Mangal Singh

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