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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29-10-2026

CORAM

THE HON'BLE MR.JUSTICE SHAMIM AHMED

CRL RC No. 2447 of 2026
Crl.MP.No.20678 of 2026
CNR: {HCMA012265592026}

Ravi Nalina, W/o Harry William,
No.17/9, Karaneeswarar Koil 1st Street,
Mylapore, Chennai.

..Petitioner(s)

Vs

1. Inspector of Police, City Crime Branch Police Station, Coimbatore.

2. M. Rafi, S/o. Masthan Saidu, Brizo Apartments, 4th Floor, Murugan Nagar, Vilankurichi, Coimbatore.

..Respondent(s)

Prayer:- This Criminal Revision Case is filed to call for the records, pertaining to the order, dated 16-9-2026, passed in Crl.MP.No.6936 of 2026 in CC.No.1570 of 2020, by the Judicial Magistrate No. VII, Coimbatore and set aside the same.

For Petitioner(s): Mr.K.Balasubramaniam

For Respondent(s): Mr.M.Dinesh, GA (Criminal Side)

ORDER

1. This Criminal Revision Case is filed to call for the records, pertaining to the order, dated 16-9-2026, passed in Crl.MP.No.6936 of 2026 in CC.No.1570 of 2020, by the Judicial Magistrate No. VII, Coimbatore and set aside the same.

2. The facts of the case are as follows:-

(a) The Revision Petitioner is A2 and A1 is the husband of the Revision

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Petitioner. The 2nd Respondent herein is the complainant. The accused had borrowed a sum of Rs.1,71,00,000/- from the complainant for the purpose of their IT Company, namely M/s.Spectrum Hi-Style Shoppers Private Limited, assuring to transfer 50% share of the Company in favour of the complainant. However, as assured, the accused had not transferred such share in favour of the complainant. Thereafter, the accused had paid partly, a sum of Rs.49,27,000/- to the complainant. The 1st accused had started a new company on 11.09.2019, in the name of M/s.Smith Field Retail Private Limited. Even thereafter, neither the agreed share was transferred nor the balance amount of loan was repaid. Hence, a complaint was filed by the complainant, against the accused in Cr.No.61 of 2019, on the file of the Respondent Police. A1 was, subsequently, released on bail.

(b) The Revision Petitioner was granted anticipatory bail by this Court, in Crl.OP.No.34132 of 2019, by the order dated 13.01.2020, by imposing a condition, among other conditions that ***"the Revision Petitioner shall directly pay to the defacto complainant a sum of Rs.1,10,00,000/-, without prejudice to her rights and produce the proof of such payment before the lower trial court on 17.06.2020".*** However, the said condition was not complied with by the Revision Petitioner.

(c) In the mean time, the Revision Petitioner had filed Crl.OP.No.491 of 2021, to quash the FIR in Crime No.61 of 2019, which was dismissed on

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05.08.2022. Thereafter, the Respondent Police had filed a final report in CC.No.1570 of 2020 before the Trial Court and the trial is pending.

(d) Thereafter, the Revision Petitioner had filed a modification petition to modify the condition of payment of Rs.1,10,00,000/- in Crl.MP.Sr.No.63368 of 2022 in Crl.OP.No.34132 of 2019 on 22.12.2022. Pending the said modification petition, the Trial Court, in Crl.MP.No.45094 of 2022, by the order dated, 26.12.2022, had cancelled the bail granted by this Court in Crl.OP.No.34132 of 2019 and consequently, NBW was issued against the Revision Petitioner.

(e) Thereafter, the Revision Petitioner had filed another anticipatory bail application before this Court in Crl.OP.Sr.No.1607 of 2023, which was dismissed by the order dated 23.03.2023, with a liberty to challenge the order, dated 26.12.2022, passed by the Judicial Magistrate No.VII, Coimbatore in Crl.MP.No.45094 of 2022. Then, the Revision Petitioner had filed a petition in Crl.OP.No.11175 of 2023, before this Court, challenging the said order dated 26.12.2022, passed in Crl.MP.No.45094 of 2022 and the same was also dismissed by this Court, on 01.02.2024. The Revision Petitioner had filed Crl.OP.No.4733 of 2025, before this Court, in connection with NBW issued by the Trial Court and it was also dismissed by this Court, on 16.10.2025.

(f) Thereafter, the Revision Petitioner had filed SLP(Criminal) Diary No(s).71543 of 2025, before the Honourable Supreme Court, which was

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disposed of, on 20.02.2026, giving liberty to the Revision Petitioner to move an application before concerned Court, on the undertaking given by the Revision Petitioner that she will surrender within a period of one week from the date of the order.

(g) Thereafter, the Revision Petitioner had filed a bail petition in Crl.MP.No.3311 of 2026 before the Trial Court and bail was granted to the Revision Petitioner, by the order dated 10.04.2026, on a condition, among other conditions that the Revision Petitioner shall deposit a sum of Rs.50,00,000/- within ten days. Subsequently, the Revision Petitioner was released on bail on fulfilling such conditions and also on such deposit of Rs.50,00,000/-, before the Trial Court.

(h) Pending the trial, the complainant had filed a petition under Section 497 of BNSS, in Crl.MP.No.6396 of 2026, before the Trial Court, seeking interim custody of the money, deposited by the Revision Petitioner.

(i) By the impugned order, dated 16.09.2026, the Trial Court, relying on the judgement of the Honourable Supreme Court, reported in **(2015) 2 SCC 313 (*Rakesh Baban Borhade v. State of Maharashtra)*** (SLP.Nos.3527-3528 of 2014), had allowed the said petition and granted interim custody of Rs.50 lakhs in favour of the complainant/2nd Respondent, on conditions that the complainant/2nd Respondent shall execute a bond for Rs.50/- lakhs and produce two sureties each for Rs.25,00,000/-, in that one surety must be blood surety.

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(j) In the impugned order, the Trial Court, while granting such interim custody, had also made clear that the release of the aforesaid amount is subject to the result of the pending litigation. As against the same, this Criminal Revision Case has been filed, by the Revision Petitioner/A2.

3. This Court heard Mr.K.Balasubramaniam, the learned counsel for the Revision Petitioner and Mr.M.Dinesh, the learned Government Advocate (Criminal side) for the 1st Respondent and considered their submissions and also perused the entire materials placed on record.

4. The learned counsel for the Revision Petitioner has submitted that the Trial Court erred in treating the subsequent bail order dated, 10.04.2026, as if it was a continuation or enforcement of the earlier monetary direction, given in the order, dated 13.01.2020 and that the Trial Court failed to consider that the fresh bail order dated 10.04.2026 contains a separate and independent set of bail conditions and that the fresh bail order does not state anywhere that the said Rs.50 lakhs shall be paid or released in favour of the complainant/2nd Respondent.

5. The learned counsel for the Revision Petitioner has further submitted that the earlier order dated 13.01.2020 and the subsequent bail order dated 10.04.2026 operate in entirely different circumstances and that the earlier order is related to anticipatory bail, whereas the subsequent order was passed, after the Revision Petitioner had surrendered, pursuant to the liberty granted by the Honourable Supreme Court and that the earlier undertaking or order cannot

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enlarge the statutory jurisdiction of the Trial Court under Section 497 of BNSS and that the Trial Court had exceeded the scope of Section 497 of BNSS and that the said amount was not a seized property, recovered property or property, identified during the investigation, as belonged to the complainant/2nd Respondent, but, it was an amount deposited by the Revision Petitioner, pursuant to a bail condition.

6. The learned counsel for the Petitioner has further submitted that the impugned order thereby gives the complainant/2nd Respondent a substantial monetary advantage before adjudication of the criminal case, which is contrary to the fundamental principle that an accused is presumed innocent, until proved guilty and hence, the impugned order is liable to be set aside, by allowing this Criminal Revision Case.

7. Per contra, the learned Government Advocate (Criminal Side) for the 1st Respondent has submitted that since the Revision Petitioner had given an undertaking to pay a sum of Rs.1,10,00,000/- directly to the complainant, while granting ancipatory bail to the Revision Petitioner, in Crl.OP.No.34132 of 2019, by the order dated 13.01.2020, the Revision Petitioner is bound by such an undertaking given before this Court, which was not complied with and hence, the complainant/2nd Respondent is entitled for the interim custody of the amount of Rs.50 lakhs, deposited by the Revision Petitioner, in view of the conditional bail order, dated 10.04.2026, granted by the Trial Court.

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8. The learned Government Advocate has further submitted that the impugned order is not a final verdict and it preserved the rights of the parties and that granting interim custody of the money does not, by itself, amount to a finding of guilt of the accused and that the Trial Court had also made an observation that such interim custody is subject to the result of the pending litigation between the parties and therefore, the Trial Court is justified in passing the impugned order, granting interim custody of Rs.50 lakhs, in favour of the complainant/2nd Respondent, however, on certain condition that the complainant/2nd Respondent shall execute a bond for Rs.50/- lakhs and produce two sureties each for Rs.25,00,000/-, in that one surety must be blood surety and that on the grounds of justice, equity and estoppel, the Trial Court had passed the impugned order, which does not call for any interference, by this Court.

9. The questions that arises for consideration are as to (i) whether the order passed by the Trial Court under Section 497 of BNSS suffers from any illegality, jurisdictional error or material irregularity, warranting interference in revision, by this Court and (ii) whether the grant of interim custody of the deposited amount, to the complainant/2nd Respondent, subject to conditions, can be sustained in the facts and circumstances of the case?

10. **Section 497 of BNSS** empowers the competent Criminal Court to make appropriate orders, concerning the custody and disposal of property, produced before it, during the investigation, inquiry or trial. The Explanation

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to the provision includes property, produced before the Court or in its custody. The exercise of such power must, however, be guided by the nature of the property and the circumstances in which it came into the Court's custody.

11. This Court is conscious that the power under Section 497 BNSS cannot be used as a substitute for a civil recovery proceeding. Nor can the release of money be ordered merely because the complainant/2nd Respondent has made allegations against the accused. But, the complainant/2nd Respondent's claim must be assessed on the materials available, and the Court must ensure that interim custody does not become a final adjudication of disputed rights and that the rights of the parties are not affected.

12. In the present case, the impugned order is required to be assessed, on its own merits and not merely with reference to the earlier conditional bail order, monetary direction. If the impugned order is supported by an independent and legally sustainable exercise of power under Section 497 BNSS, and if the conditions imposed, adequately protect the interests of the parties, the mere fact that the amount originated from a bail-related deposit would not, without further examination, resolve every question, with regard to its custody.

13. The scope of revisional jurisdiction is supervisory. Interference is warranted, where the impugned order discloses an error of law, a jurisdictional defect, a material irregularity or a miscarriage of justice. However, the revisional Court has to examine, whether the Trial Court has applied the correct

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statutory provision and considered the relevant circumstances.

14.In the present case, the alleged transaction between the parties and the legal proceedings took place, as stated above, are not disputed. First of all, it is to be noted that in the earlier anticipatory bail proceedings, the Revision Petitioner had undertaken to pay directly a sum of Rs.1,10,00,000/- , to the complainant/2nd Respondent, as a precondition, among other conditions, while granting antcipatory bail to the Revision Petitioner, by this Court, by the order, dated, 13.01.2020. However, without complying with the monetary conditions, the Revision Petitioner had went upto the Honourable Supreme Court and protracted the proceedings, for more than five years and till this date, by initiating legal proceedings, one after another. Thus, the Revision Petitioner has no intention, at all, to comply with the monetary conditional orders of this Court.

15.In the present case, the amount of Rs.50,00,000/- was deposited, by the Revision Petitioner, pursuant to the conditional bail order, dated 10.04.2026. The fact that the deposit was made under a bail condition is a relevant circumstance, but the question whether the Trial Court can, thereafter, pass an order, relating to custody of the money, must be examined in the context of the statutory provisions and the particular terms of the orders, passed in the earlier proceedings, passed by this Court.

16.The Revision Petitioner places reliance upon the distinction between the earlier anticipatory bail order, dated 13.01.2020 and the subsequent bail order

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dated 10.04.2026. It is true that the subsequent bail order must be construed, according to its own terms and cannot automatically be treated as an enforcement of continuation of the earlier direction of this Court, to pay Rs.1,10,00,000/-, as a pre-condition, while granting anticipatory bail to the Revision Petitioner, in the earlier proceedings.

17.However, the earlier proceedings form part of the background, in which the subsequent bail order was passed. The underlying transaction, the allegations with respect to non-repayment of the amount, the earlier monetary direction and the subsequent deposit are relevant circumstances to be considered. Such circumstances cannot, by themselves, determine the complainant/2nd Respondent's final entitlement to the money, but they may be considered, while deciding an application, in respect of interim custody, provided the requirements of Section 497 BNSS are independently satisfied.

18.The decision of the Honourable Supreme Court in ***Rakesh Baban Borhade v. State of Maharashtra*, (2015) 2 SCC 313**, is also relevant. In that case, the Honourable Supreme Court had permitted the complainant to withdraw a sum of Rs.1 crore, deposited pursuant to an order passed, during the anticipatory-bail proceedings. The withdrawal was expressly made, without prejudice to the contentions of the parties and subject to the result of the pending litigation.

19.However, the said decision of the Honourable Supreme Court does not establish an automatic entitlement in favour of a complainant/2nd

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Respondent to withdraw every amount deposited pursuant to a bail order. However, it demonstrates that in an appropriate case and subject to suitable safeguards, an order concerning withdrawal of money deposited during bail proceedings may be considered, in the particular circumstances of the case. The decision must not be read beyond the terms of the relief, actually granted by the Honourable Supreme Court.

20. Interim custody of the money does not, by itself, amount to a finding of guilt of the accused. In the present case, on the principles of justice, equity and estoppel, the Trial Court had granted interim custody subject to the conditions, as stated above, preserving the rights and interests of the parties. The effect and adequacy of those conditions must be assessed from the complete impugned order. If the conditions require the recipient to preserve the amount, furnish appropriate security and restore it in accordance with further orders of the competent Court, they may protect the Revision Petitioner's interests, while the criminal case remains pending. The interim arrangement must not be treated as a final determination of the complainant/2nd Respondent’s entitlement.

21. The Trial Court, in the impugned order, had specifically and categorically, made an observation that such interim custody of the money, in favour of the complainant/2nd Respondent, will be subject to the result of the pending litigation. Since the conditions imposed by the impugned order adequately preserve the rights and interest of the parties, this Court finds no sufficient

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ground to interfere with the impugned order, in exercise of revisional jurisdiction. The release of the amount shall not operate as a final adjudication of the complainant/2nd Respondent's monetary claim or as a finding of guilt, as against the Revision Petitioner.

22. Having regard to the nature of the dispute and the terms of the impugned order, this Court finds that the Trial Court had exercised its statutory jurisdiction to regulate interim custody, and not on the footing that the earlier anticipatory-bail condition automatically entitled the complainant/2nd Respondent to receive the amount.

23. Accordingly, in view of the aforesaid discussions and observations and in view of the decision of the Honourable Supreme Court, referred to above, this Criminal Revision Case is dismissed. The impugned order, dated 16.09.2026 passed by the Judicial Magistrate No.VII, Coimbatore, in Crl.MP.No.6936 of 2026 in CC.No.1570 of 2020 is **confirmed.** There is no order as to costs. Consequently, the connected Crl.MP is closed.

24. It is made clear that the interim custody granted to the complainant/2nd Respondent shall not be construed as a final determination of his entitlement to the amount. The rights and contentions of the parties, concerning their ultimate monetary claims are left open to be determined by the competent forum, in accordance with law. The Trial Court shall proceed with the trial, uninfluenced by any of the observations made in this order and decide the case expeditiously.

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Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

SRCM

To

1. Judicial Magistrate No. VII, Coimbatore
2. Inspector of Police, City Crime Branch Police Station, Coimbatore.

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SHAMIM AHMED, J.

SRCM

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