2026:PHHC:055503

IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

CRM-M No.17992 of 2026
Date of decision: 09.04.2026

HARENDRA SINGH RAUTELA @ HITENDRA

…Petitioner

Versus

STATE OF HARYANA

…Respondent

CORAM: ***HON'BLE MS. JUSTICE MANDEEP PANNU***

Present :- Mr. Sanjay Kaushal, Sr. Advocate with
Ms. Ojaswini Gagneja, Advocate
for the petitioner.

Ms. Jasmine Gill, AAG, Haryana.

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MANDEEP PANNU, J. (Oral)

1. This is the first petition filed under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (corresponding to Section 439 Cr.P.C.) for grant of regular bail to the petitioner during the pendency of trial in case FIR No.204 dated 07.05.2024, registered under Sections 120-B, 406, 420 and 506 IPC (corresponding to Sections 61(2), 316(2), 318(4) and 351(2) of BNS), at Police Station City Bhiwani, District Bhiwani, Haryana.

2. Briefly stated, the facts of the case are that the present FIR was registered on the complaint of Pawan Dalmia alleging that he, along with another person, had entered into an agreement with M/s Kizansh Spirits Pvt. Ltd. for C&F agency in the State of Haryana and, in pursuance thereof, deposited an amount of about ₹1.60 crores in the bank account of the company. It is alleged that the accused persons, including the present

petitioner, in connivance with each other, misappropriated the said amount, failed to honour their commitments and even extended threats when the complainant demanded the money back.

3. Learned counsel for the petitioner has contended that the entire dispute arises out of a contractual and commercial transaction between the parties, stemming from the agreement dated 11.04.2023 executed between the complainant and M/s Kizansh Spirits Pvt. Ltd. It is submitted that the said agreement itself contains a dispute resolution mechanism, including arbitration, and therefore, any grievance arising therefrom ought to have been agitated in appropriate civil proceedings. However, instead of resorting to such remedies, the complainant has given a criminal colour to a purely civil dispute, which is impermissible in law. It is further contended that even a bare reading of the FIR would show that the allegations are omnibus and general in nature against several accused persons and no specific role or overt act has been attributed to the present petitioner so as to *prima-facie* constitute the ingredients of the offences alleged. It is argued that the essential ingredients of the offences under Sections 406 and 420 IPC, particularly entrustment and dishonest intention at the inception of the transaction, are conspicuously absent in the present case. It is also submitted that the petitioner was arrested on 02.02.2026 and has remained in custody since then and has fully cooperated with the investigation. Learned counsel has further submitted that the other co-accused, namely the wife of the petitioner, Jayanti Rautela, who is also one of the Directors of the company, as well as Jitendra Kumar Kaushik, Hariom Narayan Roy and Vipin Sharma, have already been released on bail. It is, thus, argued that the case of the

present petitioner stands on an identical footing, particularly with his wife, who is similarly placed as a Director in the company, and therefore, on the ground of parity as well, the petitioner is entitled to the concession of regular bail.

4. On the other hand, learned State counsel has opposed the present petition mainly on the ground that the case of the petitioner is not on parity with any other co-accused, including his wife Jayanti Rautela, who is stated to be one of the Directors of the company along-with the petitioner. It is submitted that she was not a signatory to the agreement in question and had merely authorized the present petitioner to act on behalf of the company, and on that basis, she was granted bail. It is further contended that the other co-accused are also not similarly situated as the present petitioner. Learned State counsel has further submitted that serious allegations of embezzlement have been levelled against the petitioner, involving an amount of about ₹1 crore. It is argued that the petitioner has misused the money deposited by the complainant by playing fraud and, therefore, does not deserve the concession of bail.

5. Having heard learned counsel for the parties and perused the record, this Court is of the considered view that the allegations against the petitioner are grave and serious in nature. The material on record *prima-facie* indicates that the petitioner was actively involved in the transaction in question and was instrumental in dealing with the complainant on behalf of the company. A substantial amount of about ₹1.60 crores is stated to have been deposited by the complainant, out of which allegations of embezzlement to the tune of approximately ₹1 crore have been levelled

against the petitioner. The nature of accusations reflects dishonest intention and misuse of entrusted funds, which cannot be lightly brushed aside at this stage.

6. The contention of the petitioner that the dispute is purely civil in nature is also not tenable at this stage, as it is well settled that civil and criminal proceedings can proceed simultaneously if the ingredients of criminal offences are *prima-facie* made out. Insofar as the plea of parity is concerned, this Court finds that the case of the petitioner is distinguishable from that of co-accused Jayanti Rautela. The Co-ordinate Bench, while granting bail to her, had specifically observed that she had merely authorized the present petitioner to act on behalf of the company and was not an active participant in the transactions in question. She was also not a signatory to the agreement. In contrast, the present petitioner appears to have played a primary and active role in the alleged transaction and dealings with the complainant.

7. It has further been contended by learned counsel for the petitioner by placing reliance upon the judgment of '***Sarabjit Kaur versus State of Punjab and another, reported as 2023(2) RCR (Criminal) 52'***, that a mere breach of contract does not give rise to criminal prosecution for cheating unless fraudulent or dishonest intention is shown right at the inception of the transaction, and that merely on the allegation of failure to fulfill a promise, criminal proceedings cannot be initiated.

8. However, the said judgment is not applicable to the facts of the present case. In the present matter, there are specific allegations that the petitioner, in connivance with other accused persons, had dishonest

intention from the very inception of the transaction and induced the complainant to part with a huge amount of money. The allegations clearly indicate that the intention was not *bona-fide* from the beginning and the amount was misappropriated thereafter. Thus, *prima-facie* ingredients of cheating and criminal breach of trust are made out, and therefore, the reliance placed upon the aforesaid judgment is misplaced.

9. In view of the seriousness of the allegations, the role attributed to the petitioner, the magnitude of the amount involved, and the absence of parity with other co-accused, this Court does not find it to be a fit case for grant of regular bail.

10. Accordingly, the present petition is dismissed.

11. All pending applications, if any, also stand disposed of.

(MANDEEP PANNU)
JUDGE

09.04.2026
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Whether speaking/reasoned: Yes/No
Whether Reportable: Yes/No