



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

Sr. No.112

CRM-M-19632-2026
Date of Decision: 09.04.2026

LEELAWATI

...Petitioner

Versus

STATE OF HARYANA

....Respondent

CORAM: HON'BLE MS. JUSTICE MANDEEP PANNU

Present:- Mr. Aman Pal, Sr. Advocate, assisted by
Ms. Mansi, Mr. Rajender Kumar and
Mr. Pratham Bali, Advocates
for the petitioner.

MANDEEP PANNU, J. (Oral)

1. This is the first petition filed under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (corresponding to Section 438 Cr.P.C.) for grant of anticipatory bail to the petitioner in case bearing FIR No. 177 dated 22.07.2025, registered under Sections 409 and 420 IPC (corresponding to Sections 316 and 318(4) of BNS), at Police Station Sadar Narnaul, District Mahendergarh.

2. As per the case of the prosecution, on 18.07.2025, the Block Development and Panchayat Officer, Narnaul, vide letter No. 2518 dated 18.07.2025, made a request for recovery of the amount allegedly embezzled by the petitioner, who was then serving as Sarpanch, and for registration of an FIR against her. Thereafter, an audit was conducted and reports were submitted by the Additional Deputy Commissioner, Narnaul, vide letter No. 2903/Panchayat dated 19.07.2025, and by the SDM, Narnaul, vide letter No. 3687/steno dated 30.06.2025. In compliance of the said reports, as well as



letter No. 3311/Panchayat dated 11.07.2025 issued by the Block Development and Panchayat Officer, Narnaul, and Panchayat Resolution No. 1 dated 17.07.2025, the present FIR was registered against the petitioner. During the course of investigation, it has been found that an amount of ₹8,39,616/- was allegedly embezzled by the petitioner during her tenure as Sarpanch.

3. Learned counsel for the petitioner has contended that there are no specific allegations to suggest that the petitioner derived any personal benefit or wrongfully gained from the alleged transactions and the entire case rests upon generalized conclusions drawn from audit discrepancies without any independent material to establish the essential ingredients of the offences alleged. It is submitted that the petitioner has been falsely implicated and the initiation as well as continuation of criminal proceedings on the basis of such belated and unsubstantiated audit objections amounts to a gross abuse of the process of law. It is further contended that the petitioner is a respectable and law-abiding citizen, who had served as a duly elected Sarpanch from the year 2010 to 2015 and discharged her official duties diligently, bona fide and in accordance with the governing statutory framework. It is argued that the functioning of a Gram Panchayat, including financial accountability and audit, is governed by the provisions of the Haryana Panchayati Raj Act, and under Section 53 thereof, proceedings for recovery or determination of liability are subject to a specific period of limitation. In the present case, the petitioner demitted office in the year 2015, whereas the audit in question was conducted only in the year 2018, i.e. after a lapse of more than three years, and therefore, even the initiation of



proceedings is beyond the statutorily prescribed limitation period, rendering the same illegal and unsustainable.

4. Learned counsel has also argued that the present FIR has been registered in the year 2025 after an inordinate and unexplained delay of about ten years from the period to which the allegations pertain. Such abnormal delay strikes at the root of the prosecution case and gives rise to a legitimate inference of afterthought, embellishment and mala fide intent. It is contended that during the entire tenure of the petitioner no complaint of any nature was ever lodged against her functioning, and the sudden initiation of criminal proceedings after a decade, without any cogent explanation, clearly indicates that the FIR is motivated and based on vague and belated allegations. It is further submitted that such stale claims seriously prejudice the petitioner's right to fair investigation and impair her ability to effectively defend herself, as relevant records and evidence may no longer be readily available due to passage of time.

5. Notice of motion.

6. Mr. Sushil Bhardwaj, Addl. A.G., Haryana, accepts notice and has contested the present bail application. It is submitted that the petitioner, while holding the post of Sarpanch, has misused public funds to the tune of ₹8,39,616/- and has failed to deposit the same in the Government exchequer till date. It is argued that the allegations pertain to embezzlement of public money and involve a substantial amount. Therefore, the petitioner is not entitled to the concession of interim anticipatory bail. It is further contended that custodial interrogation of the petitioner is required to unearth the complete modus operandi and to trace the misappropriated funds.



7. Having heard learned counsel for the parties and perused the material on record, this Court is of the considered view that the allegations levelled against the petitioner are serious in nature. The record reveals that during her tenure as Sarpanch, the petitioner is alleged to have embezzled an amount of ₹8,39,616/- from the Gram Panchayat funds, which are meant for public welfare and development works. Misappropriation of public funds by an elected representative strikes at the very root of public trust and governance. The nature of allegations indicates misuse of official position and breach of fiduciary responsibility. At this stage, the plea regarding delay or limitation cannot overshadow the seriousness of the allegations and the material collected during investigation.

8. Furthermore, the recovery of the embezzled amount and proper investigation into the financial transactions necessitate custodial interrogation of the petitioner. In view of the gravity of the offence, the specific role attributed to the petitioner, and the requirement of effective investigation, this Court does not find it to be a fit case for grant of anticipatory bail.

9. Accordingly, the present petition is dismissed.

10. However, it is clarified that nothing observed herein shall be construed as an expression on the merits of the case.

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

09.04.2026

Anu

(MANDEEP PANNU)
JUDGE

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