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Date of decision : 27.02.2026

...Petitioner

Versus

...Respondents

CORAM: HON'BLE MRS. JUSTICE MANISHA BATRA

Mr. Simranjeet Singh Sidhu, Advocate and
Ms. Dhvani Sharma, Advocate
for respondent No. 2.

MANISHA BATRA, J. (Oral)

2. Brief facts relevant for the purpose of disposal of the present petition are the aforementioned FIR was registered on the basis of a complaint

submitted by the petitioner/complainant alleging that his son Harvinder Singh, was having a plot in the area of New Urban Estate, Batala and wanted to raise construction thereon. The complainant on behalf of his son had entered into an agreement with respondent No. 2 for the purpose of raising construction on the said plot for a sum of Rs.87,42,000/- on 23.11.2021. A cheque for an amount of Rs. 10 Lakhs was given by way of advance and subsequently also, a huge amount of money was given to respondent No. 2/accused but he failed to complete his contractual obligations by making excuses on one pretext or the other, thereby causing wrongful loss of money as well as mental harassment to the petitioner and, therefore, he prayed for taking action against respondent No.2.

3. After registration of the FIR, investigation proceedings were initiated. Apprehending his arrest, respondent No. 2 moved an application for grant of anticipatory bail and vide order dated 27.09.2024, he was granted interim bail. The matter was also sent to Mediation and Conciliation Centre at Gurdaspur on willingness of respondent No. 2 and the petitioner. A settlement/agreement dated 03.10.2024 (Annexure P-3) was executed between the parties. The learned Sessions Judge, Gurdaspur, vide order dated 07.10.2024, made the interim bail, granted to respondent No. 2, absolute by making the following observations:

“Heard. The matter was referred to the Mediation Centre, Gurdaspur and as per report received from the Mediation Centre, the parties have settled the dispute vide settlement deed dated 3.10.2024. As per said settlement deed, the applicant/accused has to complete the construction of the building of the complainant party and the detailed terms

and conditions have been incorporated in the said settlement deed. Under these circumstances, the interim order dated 27.09.2024 is made absolute. Both the parties shall remain bound by the terms of the said settlement deed. The application stands disposed off. File be consigned to the record room.”

4. It is argued by learned counsel for the petitioner that respondent No. 2 had been extended benefit of bail by the learned Sessions Judge keeping in view the fact that he had executed a settlement deed with the petitioner and was ready to complete the construction of his building as per the terms and conditions of the settlement deed. However, respondent No. 2 failed to comply with the terms and conditions thereof. It is further submitted that violation of the terms and conditions of the settlement deed on the part of respondent No. 2 has made him disentitled to remain on anticipatory bail. Therefore, it is argued that benefit of anticipatory bail granted to respondent No. 2 is liable to be withdrawn and the petition deserves to be allowed.

5. Reply has been filed by the respondent-State, as per which, respondent No. 2 has not joined the investigation of the till date. In view thereof, learned State counsel has submitted that the benefit of bail granted to him is liable to be withdrawn.

6. Learned counsel for respondent No.2 has submitted that he does not want to file a separate reply and wants to adopt the reply as filed by respondent-State.

7. This Court has heard the rival submissions.

8. Before delving into the contentions as raised by learned counsel for the parties, this Court considers it necessary to discuss certain principles

which govern the cancellation of bail as enunciated by Hon'ble Supreme Court in various pronouncements. Reference can firstly be made to ***Myakala Dharmarajam vs. the State of Telangana : (2020) 2 SCC 743***, wherein it was observed that an order for cancellation of bail can be made only where such order suffers from serious infirmities resulting in miscarriage of justice. If the Court granting bail ignores relevant material indicating *prima facie* involvement of the accused or takes into account irrelevant material, which has no relevance to the question of grant of bail to the accused, the High Court or the Sessions Court would be justified in cancelling the bail. Reliance can further be placed upon ***Sushila Aggarwal vs. State (NCT of Delhi) : (2020) 5 SCC 1***, wherein it was observed that while considering an application for grant of anticipatory bail, the Court has to consider the nature of the offence, the role of the person, the likelihood of his influencing the course of investigation, or tampering with evidence (including intimidating witnesses) or likelihood of his absconding. It was also observed that whether to grant bail or not is a matter of discretion of the Court. Similar position of law had been laid down in ***Dolat Ram and others vs. State of Haryana :1995 SCC (1) 349***.

9. Reference can also be made to ***Abdul Basit @ Raju and others etc. vs Mohd. Abdul Kadir Chaudhary and another 2015(1) SCC (Criminal) 257***, wherein Hon'ble Supreme Court has observed that under Chapter XXXIII, Section 439(1) of Cr.P.C. (*which is pari materia with Section 483(3) of BNSS*) empowers the High Court as well as the Court of Sessions to direct any accused person to be released on bail. This provision empowers the High Court to direct any person who has been released on bail under Chapter XXXIII of the Code be arrested and committed to custody, i.e the power to

cancel the bail granted to an accused person. It was further observed that generally the grounds for cancellation of bail are (1) the accused misuses his liberty by indulging in similar criminal activity, (ii) interferes with the course of investigation, (iii) attempts to tamper with evidence or witnesses (iv) threatens witnesses or indulges in similar activities which would hamper smooth investigation (v) there is likelihood of his fleeing to another country (vi) attempts to make himself scarce by going underground or becoming unavailable to the investigating agency (vii) attempts to place himself beyond the reach of his surety etc. These grounds are illustrative and not exhaustive.

10. On applying the aforesaid settled principles governing cancellation of bail to the facts of the present case, it clearly emerges that though bail, once granted, is not to be cancelled mechanically, the same can undoubtedly be withdrawn where the accused has either misused the concession of bail or where supervening circumstances justifying such cancellation have arisen. A careful perusal of the orders dated 27.09.2024 and 07.10.2024 reveals that the learned Sessions Judge did not examine the merits of the allegations levelled against respondent No.2. The concession of anticipatory bail was extended to him solely on the premise that a compromise had been arrived at between the parties and that respondent No. 2 would abide by the terms and conditions thereof and cooperate with the investigation. However, it has subsequently surfaced that respondent No. 2 has neither honoured nor performed his obligations under the said settlement, which formed the sole and foundational basis for grant of anticipatory bail to him. Even otherwise, he has failed to join the investigation despite repeated opportunities, thereby obstructing the investigative process. Interestingly,

respondent No. 2 even did not choose to file any reply to this petition and the order dated 02.12.2025, passed by this Court, reflects that his counsel chose to adopt the same reply as filed by respondent No. 1-State, which amounts to admitting that he has not joined the investigation. Such conduct, viewed in its entirety, clearly demonstrates that respondent No. 2 has misused the liberty granted to him by the Court and has acted in a manner which is prejudicial to the fair and effective administration of justice. The failure of the respondent to comply with the conditions implicit in the bail order and to cooperate with the investigating agency amounts to interference with the course of investigation and constitutes a supervening circumstance warranting cancellation of bail within the parameters laid down by the Hon’ble Supreme Court in ***Abdul Basit @ Raju’s case*** (supra). Consequently, this Court is left with no option but to recall the orders dated 27.09.2024 and 07.10.2024, whereby interim anticipatory bail was granted and thereafter it was made absolute in favour of respondent No. 2. The said orders are, accordingly, set aside and the anticipatory bail granted to respondent No. 2 stands cancelled. The petition is accordingly allowed.

27.02.2026

Waseem Ansari

(MANISHA BATRA)
JUDGE

Whether speaking/reasoned

Yes/No

Whether reportable

Yes/No