



2026:DHC:2639



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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*Judgment reserved on: 17.03.2026**Judgment pronounced on: 27.03.2026**Judgment uploaded on: 28.03.2026*+ **BAIL APPLN. 350/2026**

NEH SRIVASTAVA

.....Petitioner

Through: Mr. K. K. Manan, Senior Advocate with Mr. O.N. Sharma, Ms. Neetu, Ms. Priti, Mr. Bharat Dagger, Ms. Ishika Tyagi, Mr. Manish Sharma and Mr. Gouransh Mehra, Advocates.

versus

STATE GNCT OF DELHI

.....Respondent

Through: Mr. Manoj Pant, APP for the State with SI Mohit Parkash, EOW
Mr. Madhav Khurana, Senior Advocate with Mr. Abhinav Sekhri and Ms. Shaurya Singh, Advocates for complainants.

CORAM:**HON'BLE DR. JUSTICE SWARANA KANTA SHARMA****JUDGMENT****DR. SWARANA KANTA SHARMA, J**

1. By way of the present application, the applicant seeks grant of regular bail in case arising out of FIR bearing no. 92/2020, registered at Police Station Economic Offences Wing (EOW), Delhi, for the



2026:DHC:2639



commission of offences punishable under Sections 420/409/120B of the Indian Penal Code, 1860 [hereafter '*IPC*'].

2. Briefly stated, the facts of the present case are that a complaint had been lodged by Dr. Bachcha Lall alleging that he had been induced by the office bearers of Central Secretariat Services Officers Society (CSSOS), including its President i.e. applicant Neh Srivastava, Vice President and Secretary, to invest in a proposed residential project in Dwarka on the pretext of allotment of a flat. It is alleged that the complainant had been shown purported documents, including alleged approvals from DDA and representations regarding land acquisition under the Land Pooling Policy, by the present applicant, thereby creating a false impression of authenticity. Acting upon such representations, the complainant had paid a sum of ₹50,000/- towards membership of the said society; however, upon subsequent enquiry from DDA, it was revealed that no such society was registered and no approvals had been granted. During the course of investigation conducted by the EOW, it was revealed that multiple victims had been similarly induced by the applicant and other office bearers on the pretext of allotment of flats. It was further revealed that CSSOS had projected itself as a government backed entity by using misleading representations, including the use of the national emblem and claims of association with government bodies, in order to gain public trust. It was further revealed that substantial funds had been collected from investors and were allegedly misappropriated and siphoned off through entities linked to the applicant and his



2026:DHC:2639



associates. Enquiries with statutory authorities, including DDA and RERA, confirmed that CSSOS had no valid approvals or registration to undertake such a project. On the basis of the material collected during the investigation, the present FIR was registered, and the applicant herein, who was the President of CSSOS, was arrested on 16.11.2022.

3. The learned senior counsel appearing for the present accused/applicant argues that the applicant has been falsely implicated in the present case and there is no material to establish his involvement in the alleged offence. It is contended that the charge-sheet as well as the supplementary charge-sheet have already been filed and, therefore, the applicant is no longer required for the purpose of investigation. It is further submitted that the applicant has been in judicial custody since 16.11.2022, and has remained in judicial custody for a period of 3 years and 2 months. The learned senior counsel also contends that this Court, *vide* order dated 12.09.2025 passed in Bail Application No. 2710/2025, had granted interim bail to the applicant, noting that he was not likely to evade trial and had not misused the liberty granted to him; and the applicant duly complied with all conditions and surrendered on time. It is further argued that no specific role is attributable to the applicant and that the prosecution case is primarily based on statements of alleged victims, which remain uncorroborated by independent evidence. It is contended that the affairs of the CSSOS are presently being managed by an Administrator appointed by this Court and that the bank



2026:DHC:2639



accounts of CSSOS and related entities have already been frozen, which rules out any possibility of further misuse of funds. It is also argued that the applicant is a first-time offender with clean antecedents and has not derived any personal monetary gain. The decisions of CSSOS, it is submitted, were taken collectively and not by the applicant alone. It is further contended that the trial is likely to take considerable time, particularly since charges have not yet been framed and numerous witnesses have been cited by the prosecution. In these circumstances, continued incarceration of the applicant would be unjustified. Accordingly, it is prayed that the applicant be granted regular bail.

4. The learned APP appearing for the State, assisted by the learned senior counsel appearing for the complainant, on the other hand, argues that the case at hand discloses a grave and large-scale economic offence involving a multi-victim fraud affecting the public at large, wherein about ₹120 crores have been collected from hundreds of innocent investors on false representations. It is contended that the applicant is the main kingpin of the entire conspiracy, who, while serving as an Under Secretary in the Ministry of Home Affairs, misused his official position to falsely project CSSOS as a government-backed entity and thereby induced the general public to invest substantial amounts. It is further submitted that the applicant's bail has earlier been declined by the Hon'ble Supreme Court *vide* order dated 06.12.2024, which is a relevant factor for consideration. It is argued that there is substantial material



2026:DHC:2639



on record establishing the involvement of the applicant. The replies received from statutory authorities, including DDA, RERA, and the Registrar of Societies, clearly reveal that CSSOS had no approval or registration for undertaking the alleged housing project, and its registration had already been revoked. Despite this, the applicant continued to collect funds. The investigation further reveals that over ₹100 crores were siphoned off through M/s Aditia Reality Pvt. Ltd. and other entities controlled by the applicant's family members, which indicates a deliberate diversion of funds through shell companies. It is stated that the applicant and his brother were also authorized signatories to the bank accounts of CSSOS, and incriminating documents, including brochures and promotional material, have been recovered at his instance. It is further submitted that 244 complaints, for an amount of ₹62.4 crores, have already been received alleging inducement and cheating, and serious discrepancies have been found in sale deeds executed with landowners, wherein inflated amounts were reflected to facilitate siphoning of funds. The conduct of the applicant also reflects that he continued similar acts even after registration of the FIR. In view of the gravity of the offence, the magnitude of the fraud, and the applicant's central role, coupled with the likelihood of influencing witnesses, it is prayed that the present bail application be dismissed.

5. This Court has **heard** arguments addressed on behalf of the petitioner, as well as the State and the complainant, and has perused the material on record.



2026:DHC:2639



6. It is a settled principle of law that while considering an application for bail, the Court is required to undertake a careful and balanced evaluation of multiple factors, including the existence of a *prima facie* case, the nature and gravity of the allegations, the specific role attributed to the accused, and the severity of punishment prescribed for the offences in question. The Court is also required to assess the likelihood of the accused absconding, tampering with evidence, or influencing witnesses. Additionally, due regard must be given to the possibility of repetition of the alleged offence, particularly in cases involving organised or economic offences, and the overall impact of such alleged acts on the society at large.

7. The Hon'ble Supreme Court, in ***Ajwar v. Waseem: (2024) 10 SCC 768***, has delineated certain relevant factors which are required to be considered while adjudicating an application for bail, which are as under:

“26. While considering as to whether bail ought to be granted in a matter involving a serious criminal offence, the Court must consider relevant factors like the nature of the accusations made against the accused, the manner in which the crime is alleged to have been committed, the gravity of the offence, the role attributed to the accused, the criminal antecedents of the accused, the probability of tampering of the witnesses and repeating the offence, if the accused are released on bail, the likelihood of the accused being unavailable in the event bail is granted, the possibility of obstructing the proceedings and evading the courts of justice and the overall desirability of releasing the accused on bail.”

8. This Court notes that the present case pertains to a multi-victim fraud of considerable magnitude, wherein as many as 244 complaints



2026:DHC:2639



have been received, and, as per the investigation, about 556 homebuyers were induced to invest an amount of about ₹119.86 crores. The material on record further indicates that 524 victims have been identified who had invested about ₹107.50 crores, which highlights the extensive scale and impact of the alleged offence. The magnitude of the alleged fraud, involving the hard-earned savings of numerous individuals, clearly falls within the ambit of serious economic offences, having a direct bearing on public confidence and the integrity of financial transactions.

9. It is pertinent to note that the applicant herein is allegedly the main conspirator and the controlling mind behind the affairs of CSSOS, who used to actively manage its operations and decision-making processes. The material on record *prima facie* indicates that the applicant was not only the President of the said Society but also one of the authorized signatories to its bank accounts, and thus, exercised direct control over its financial transactions and the flow of funds.

10. It further emerges from the record and the investigation conducted, that members of the public were induced through systematic and deliberate misrepresentation, whereby CSSOS was projected as a government-backed or government-associated entity. The use of the Indian National Emblem in promotional material, along with representations that the Society was being managed by Group “A” officers and had links with government ministries, created an appearance of legitimacy and credibility. Such conduct, at this



2026:DHC:2639



stage, *prima facie*, appears to have been designed to gain the trust of unsuspecting individuals and induce them to invest under false pretences.

11. It is further borne out from the record that CSSOS lacked the requisite statutory approvals from DDA and was not registered with RERA, despite actively marketing and collecting funds from the public for a housing project under the Land Pooling Policy. The responses received from DDA and RERA categorically negate any authorization or registration in favour of CSSOS. Moreover, the registration of the Society had already been revoked by the Registrar of Societies under Section 12 of the Societies Registration Act, vide order dated 05.12.2019, on the ground that its activities had resulted in wrongful loss to investors and corresponding unlawful gain to those managing its affairs through diversion of funds. Consequently, the Society in question was not legally entitled to collect money from members for allotment of flats. One of the contentions of the applicant attributing the delay in the project to the COVID-19 pandemic or changes in policy does not appear tenable at this stage. The material collected during investigation indicates that even the basic prerequisites, including availability of land and requisite statutory compliances, were absent.

12. The financial trail, as revealed during investigation, further discloses a complex web of transactions involving layering and diversion of funds. Substantial amounts collected from the homebuyers were transferred to various entities, including M/s Aditia



2026:DHC:2639



Reality Pvt. Ltd., J.J. Enterprises, CSSOS Officers Enclave Pvt. Ltd., and CSSOS Officers Club Pvt. Ltd. These entities are stated to be controlled by close relatives of the applicant, including his mother, sister, and daughter. It is noteworthy that these individuals have, during investigation, denied knowledge of such entities and transactions; however, the material on record, including Digital Signature Certificates, video KYC records, and incorporation documents, *prima facie* contradicts such claims. The manner in which these entities have been utilized indicates that they were allegedly employed as conduits for diversion and siphoning of funds collected from unsuspecting investors.

13. Additionally, the investigation reveals that a substantial sum, to the tune of about ₹100 crores, was transferred from the accounts of CSSOS to M/s Aditia Reality Pvt. Ltd., with further funds being routed to other related entities. It has also come on record that a significant amount was transferred to M/s Nivesh Global Pvt. Ltd., from where the funds were subsequently diverted to entities which, upon physical verification, were allegedly found to be either non-existent or untraceable.

14. The material on record also brings to light serious irregularities in the alleged land transactions. It is indicated that land was purchased from farmers at considerably lower prices, whereas inflated values were reflected in the sale deeds and official records. It has been specifically alleged that while about ₹45 crores were actually paid to the farmers, an amount of ₹75 crores was shown in



2026:DHC:2639



the records, with the differential amount being siphoned off. The discrepancies noticed in the Agreements to Sell and Sale Deeds, particularly in respect of certain landowners, further lend credence, at this stage, to the allegation that financial entries were manipulated and inflated as a means to misappropriate funds collected from investors.

15. The conduct of the applicant, both during and after the registration of the FIR, is also a relevant consideration while deciding the present bail application. The material on record indicates that the applicant had attempted to contact and influence the complainant, including by sending a cheque and thereafter transferring money through RTGS without consent. Such conduct, at this stage, *prima facie* reflects an effort to reach out to the complainant in a manner that could potentially impact the course of the proceedings, and raises apprehension regarding the possibility of influencing the witnesses if granted bail.

16. This Court also cannot overlook the fact that the alleged acts were not isolated or confined to a single transaction, but appear to have been continuous in nature. It has been specifically alleged that even after the registration of the FIR, further investments were solicited, which, *prima facie*, suggests that the activities continued despite the initiation of criminal proceedings, which adds to the gravity of the allegations at this stage.

17. In the considered view of this Court, the present case is a



2026:DHC:2639



classic example of a deep rooted economic offence executed with planning, deception, and abuse of trust, wherein the applicant is alleged to have misused his position, projected false credentials, and orchestrated a network of entities to siphon public money.

18. It is well settled that economic offences constitute a class apart, and courts are required to adopt a stricter approach while considering bail, particularly where the offence involves a multi-victim fraud affecting the public at large and serious financial irregularities. The gravity of the offence, the manner of its execution, the amount involved, and its impact on society are all relevant considerations. The Hon'ble Supreme Court in the case of *Rakesh Mittal v. Ajay Pal Gupta @ Sonu Chaudhary and Anr.*: 2026 INSC 161 has observed as under:

“19. Though the observations made in some of the above cases were in the context of heinous offences, which is not the case presently, we may note that the value of life and liberty of members of society is not limited only to their ‘person’ but would also extend to the quality of their life, including their economic well-being. **In offences of a pecuniary nature, where innocent people are cheated of their hard-earned monies by conmen, who make it their life’s pursuit to exploit and feast upon the gullibility of others, the aforesaid factors must necessarily be weighed while dealing with the alleged offenders’ pleas for grant of bail.**”

(Emphasis added)

19. In light of the above discussion, and considering the fact that charges in the case are yet to be framed, and keeping in view the nature of allegations, scale of the alleged offence and magnitude of financial loss, the role attributed to the applicant herein, this Court is



2026:DHC:2639



not inclined to grant bail to the applicant.

20. The bail application is accordingly dismissed. Pending application, if any, is also disposed of as infructuous.

21. The learned Trial Court, however, is requested to expedite the proceedings in the present case.

22. Nothing expressed hereinabove shall tantamount to an expression of opinion on the merits of the case.

23. The judgment be uploaded on the website forthwith.

DR. SWARANA KANTA SHARMA, J

MARCH 27, 2026

GJ