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

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Judgment Reserved on: 24.12.2025
Judgment Delivered on: 24.02.2026

+ **BAIL APPLN. 5002/2025**

SUNDER MENGHRAJ CHAINANIPetitioner

Through: Mr. Vishal Gosain, Mr. Pravir Singh,
Ms. Bhawna, Ms. Anushka, Mr. Umesh
Rautela, Advs.

versus

STATE (NCT OF DELHI)Respondent

Through: Mr. Tarang Srivastava, APP with SI
Rahul, PSI Yashwant, PS Tuglak Road
Mr. Vikas Pahwa, Sr. Adv., Mr.
Abhimanyu Bhandari, Sr. Adv. and Mr.
Nalin Kohli, Sr. Adv. with Mr. Nirvirkar
Singh, Mr. Bharat Singh, Mr. Manish
Khan, Mr. Jai, Mr. Abhinav Aggarwal,
Mr. Shivam, Mr. Anurag, Advs. for
Victim.

CORAM:

HON'BLE MR. JUSTICE VIKAS MAHAJAN

JUDGMENT

VIKAS MAHAJAN, J

1. The present petition has been filed by the petitioner under Section 482 of Bhartiya Nagrik Suraksha Sanhita, 2023 [erstwhile Section 438 of Criminal Procedure Code] seeking anticipatory bail in connection with FIR No. 90/2025, under Section 420/406 IPC registered at PS- Tughlak Road.



2. The case of the prosecution is that a complaint vide DD No. 55A, dated 19.08.2025 was received at PS- Tughlak Road, wherein the complainant stated that he has known the petitioner for some time and during their meetings, petitioner represented himself as Director and majority shareholder in Swiss Promotion Pvt. Ltd. and Rivoli Watch Pvt. Ltd, being associated with various luxury watches dealers and distributors and also claimed to have strong connections with global watch dealers and clientele. During the course of their meetings, the petitioner led the complainant to believe that he was an expert in luxury watches.
3. In the year 2016, the complainant purchased an exclusive Limited Edition piece of Breguet Men's Watch and in the year 2018 he purchased two identical watches (RX116500L), which formed part of his assets and duly reflected in his balance sheet. The petitioner showed special interest in these watches claiming that their value had exponentially increased over time. The petitioner convinced the complainant that he had buyers ready to pay Rs. 7,00,00,000/- for all three watches but offered Rs. 5,50,00,000 to the complainant as consideration. On the complainant insisting on lump sum payment, the petitioner proposed to close the deal at Rs. 4,50,00,000/-.
4. On 30.06.2023, the petitioner met the complainant at Hotel Taj, Delhi and took possession of these three watches. Subsequently, the petitioner handed over a cheque for Rs. 4,25,00,000/- dated 15.07.2023, drawn on Standard Chartered Bank, assuring that the balance Rs. 25,00,000/- would be paid by 31.07.2023.
5. The petitioner also provided assurance to send the formal sale-purchase



agreement but failed to do so despite repeated follow ups. In the meanwhile, the cheque given by the petitioner was deposited in the bank by the complainant, but the same was returned with remarks “Insufficient Funds”. Accordingly, FIR in the instant case came to be registered.

6. Mr. Vishal Gosain, learned counsel appearing on behalf of the petitioner submits that the petitioner has been falsely implicated in the present FIR and the allegations made in the instant FIR are vague and unsubstantiated.

7. He submits that the complainant has supplied a forged and fabricated handover receipt stated to have been issued by the petitioner wherein the petitioner has taken over the delivery of the watches which form the subject of the case property. To substantiate this contention, Mr. Gosain submits that the petitioner obtained a report dated 26.11.2025 of handwriting expert (Annexure P-21) which states that the petitioner’s signature has been forged on the said receipt.

8. He further submits that the petitioner did, in fact, issue a cheque of Rs. 4,25,00,000/- dated 15.07.2023, drawn on Standard Chartered Bank however, the same was not issued with respect to the three watches which are forming part of the case property. The said cheque was issued in furtherance of some other deal, which was not honored by the complainant hence, the petitioner withheld the payment and the issued cheque was dishonored.

9. Mr. Gosain further submits that the petitioner himself got the three watches, which form the case property, valued *vide* valuation report dated 29.11.2025 issued by Indian Watch Connoisseur, in order to contend that value of the three watches was far below the inflated claims made by the



complainant. Further, the valuation was merely carried out on the perusal of the original receipts of the watches which were submitted by the complainant along with his complaint which was registered as instant FIR, and no physical inspection was ever carried out.

10. He further submits that the complainant has been forum shopping as he has already instituted a complaint under the NI Act before the learned Judicial Magistrate First Class and has lodged the instant FIR only to arm twist the petitioner and convert a civil dispute issue into a criminal one.

11. He emphasizes the fact that the petitioner received notices to join the investigation and duly complied with the same on 23.10.2025 and 02.11.2025. Hence, his conduct is transparent that he intends to cooperate in the ongoing investigation. Further, the petitioner is an 80 year old man and has medical ailments therefore, his custodial interrogation is not necessary owing to his old age, no past criminal history and the fact that he is not a flight risk.

12. *Per contra*, Mr. Tarang Srivastava, learned APP for the State has argued on the lines of the status report and opposes the bail application.

13. Mr. Vikas Pahwa, Mr. Abhimanyu Bhandari and Mr. N. Kohli, learned Senior Counsels appearing on behalf of the complainant, vehemently oppose the bail application.

14. Mr. Pahwa submits that the petitioner, along with his son Mr. Nitin Chainani, orchestrated a well-planned conspiracy, inducing the complainant to hand over the three watches which form the case property against a post dated cheque which they never intended to honour.

15. He further submits that the valuation report of the three watches forming



the case property, submitted by the petitioner clearly states that the valuation was carried out based on physical inspection which in itself is a testament to the fact that the watches, forming the case property, are in the possession of the petitioner.

16. He further submits that the role of the petitioner in the conspiracy is abundantly clear from the handover receipt executed under his own signature, which records the transaction details and the cheque particulars issued by the petitioner.

17. Juxtaposed to the contention of the petitioner that the handover receipt issued by the petitioner is forged and fabricated, Mr. Kohli adds that such contention is nothing but an afterthought. He submits that admittedly the petitioner was aware of the handover receipt but never filed any complaint for a period of 2 years nor sought any expert report.

18. He further submits that the petitioner relies on one expert opinion/report dated 26.11.2025, however, the same cannot be taken into consideration as the compared signatures are not contemporaneous.

19. To supplement submissions on behalf of the complainant, Mr. Bhandari draws the attention of this Court to *para 14* of the Status Report to contend that the accused/petitioner has not been cooperating in the investigation nor has he been able to provide an explanation with regard to the handover receipt and the cheque in question which was dishonored.

20. He also submits that the current value of the three watches which form the case property is more than Rs. 12 Crores and there is a high risk that the three watches may be disposed off if the petitioner is granted anticipatory bail.



21. It is further contended on behalf of the complainant that the custodial interrogation of the petitioner is imperative to recover the three watches.

22. I have heard the learned counsel for the petitioner, as well as, learned APP for the State and the learned Senior Counsels for the complainant and have also perused the record.

23. It is the case of the prosecution that the petitioner has taken the possession of three luxury watches and issued a cheque of Rs. 4,25,00,000/- dated 15.07.2023, drawn on Standard Chartered Bank. However, the cheque was dishonored and returned with remarks "Insufficient Funds". Further, as borne out from the Status Report, during investigation it has been found that the petitioner has not been able to provide clear answers when questioned about the whereabouts of the three luxury watches forming the case property.

24. The major controversy in the instant case is with regard to the issuance of cheque for Rs. 4,25,00,000/- dated 15.07.2023, drawn on Standard Chartered Bank, by the petitioner. The petitioner has submitted that the issuance of the cheque in question is with regard to some other deal which the complainant did not honour and hence, the cheque was dishonored. However, there is no document on record placed by the petitioner to substantiate this claim. Further, the Status Report also corroborates the fact that the petitioner has not been able to provide any conclusive explanation or proof to vindicate his stance of issuing the cheque in lieu of some other deal and not for the three luxury watches forming the case property.

25. The petitioner has relied upon the valuation certificate dated 29.11.2025 and handwriting expert report dated 26.11.2025 to strengthen his case for



allowing the instant bail application. *Prima facie*, these two documents relied upon by the petitioner seem to weaken his case rather than strengthening it.

26. The valuation report dated 29.11.2025 categorically states that an external physical inspection has been carried out and the *valuation pertains solely to pieces in mint condition, accompanied by original box and papers*. The claim of the petitioner that the valuation was done purely on the basis of the original receipts and invoices of the three luxury watches *prima facie* stands nullified.

27. In so far as the handwriting expert report dated 26.11.2025 is concerned, this Court finds some substance in the submissions made by Mr. N. Kohli, learned Senior Counsel appearing on behalf of the complainant. The report compares the signatures on the handover receipt issued by the petitioner and specimen signatures of the petitioner on applications marked to the ICICI Bank which was duly verified and stamped on 15.11.2025. The two signatures are not contemporaneous as the handover receipt is of the year 2023 while the compared signature is of the year 2025.

28. Incidentally, the veracity of signatures in cases like these are to be conducted by the investigating agencies so that there is no foul play involved and the same has not yet been conducted owing to the investigation being at a nascent stage. Therefore, at this stage, reliance cannot be placed on the said private handwriting expert report to grant the concession of anticipatory bail, particularly when the investigation is ongoing and the FSL report is yet to be obtained by the State.

29. The conduct of the petitioner in relying on a valuation report which



explicitly claims to be based on physical inspection while simultaneously denying possession of the watches creates a grave suspicion regarding the petitioner's *bona fides*. This contradiction, *prima facie*, suggests that the petitioner is in possession of the case property and is deliberately withholding the same from the investigating agency.

30. The allegations in the present court case pertain to a serious economic offence involving high-value luxury items worth crores of rupees. The Supreme Court has repeatedly held that economic offences constitute a class apart and need to be visited with a different approach in the matter of bail. The economic offences having deep-rooted conspiracies and involving huge loss of public funds or private property need to be viewed seriously. Reference in this regard may be had to the decision of the Hon'ble Supreme Court in ***Y.S Jagan Mohan Reddy v. CBI (2013) 7 SCC 439***, wherein it was observed as under:

“34. Economic offences constitute a class apart and need to be visited with a different approach in the matter of bail. The economic offences having deep-rooted conspiracies and involving huge loss of public funds need to be viewed seriously and considered as grave offences affecting the economy of the country as a whole.”

31. Likewise, in ***P. Chidambaram v. Directorate of Enforcement, (2019) 9 SCC 24***, the Hon'ble Supreme Court observed as under:

“78. Power under Section 438 CrPC being an extraordinary remedy, has to be exercised sparingly; more so, in cases of economic offences. Economic offences stand as a different class as they affect the economic fabric of the society. In Directorate of Enforcement v. Ashok Kumar Jain [(1998) 2 SCC 105], it was held that in economic offences, the accused is not entitled to anticipatory bail.”



(emphasis supplied)

32. In the instant case, the recovery of the three luxury watches, which are movable assets of significant value, is of paramount importance. The petitioner has not only failed to return the watches but had also issued a cheque, which was admittedly dishonored.

33. The investigation is at a critical juncture and the recovery of the case property is yet to be made. Granting anticipatory bail at this stage is also likely to hamper the investigation, as the petitioner, being an influential person dealing in luxurious watches, may tamper with the evidence or dispose of the case property.

34. Further, the Status Report that has been placed on record by the State categorically alleges that the custodial interrogation of the petitioner is required as the petitioner did not co-operate in recovery of the case property i.e. the three luxury watches. At this juncture, apt would it be to delve in the necessity of custodial interrogation as propounded in the decision of the Hon'ble Supreme Court in *State v. Anil Sharma (1997) 7 Supreme Court Cases 187* wherein the Hon'ble Supreme Court observed the following:

“6. We find force in the submission of the CBI that custodial interrogation is qualitatively more elicitation-oriented than questioning a suspect who is well ensconced with a favourable order under Section 438 of the Code. In a case like this effective interrogation of a suspected person is of tremendous advantage in disinterring many useful informations and also materials which would have been concealed. Success in such interrogation would elude if the suspected person knows that he is well protected and insulated by a pre- arrest bail order during the time he is interrogated. Very often interrogation in such a condition would



reduce to a mere ritual. The argument that the custodial interrogation is fraught with the danger of the person being subjected to third-degree methods need not be countenanced, for, such an argument can be advanced by all accused in all criminal cases. The Court has to presume that responsible police officers would conduct themselves in a responsible manner and that those entrusted with the task of disinterring offences would not conduct themselves as offenders.”

(emphasis supplied)

35. Similarly, in the judgment titled *XXX v. Arun Kumar CK & Ors. 2022 SCC OnLine SC 1529*, the Hon’ble Supreme Court had articulated a similar view, which reads thus:

“16. We are dealing with a matter wherein the original complainant (appellant herein) has come before this Court praying that the anticipatory bail granted by the High Court to the accused should be cancelled. To put it in other words, the complainant says that the High Court wrongly exercised its discretion while granting anticipatory bail to the accused in a very serious crime like POCSO and, therefore, the order passed by the High Court granting anticipatory bail to the accused should be quashed and set aside. In many anticipatory bail matters, we have noticed one common argument being canvassed that no custodial interrogation is required and, therefore, anticipatory bail may be granted. There appears to be a serious misconception of law that if no case for custodial interrogation is made out by the prosecution, then that alone would be a good ground to grant anticipatory bail. Custodial interrogation can be one of the relevant aspects to be considered along with other grounds while deciding an application seeking anticipatory bail. There may be many cases in which the custodial interrogation of the accused may not be required, but that does not mean that the prima facie case against the accused should be ignored or overlooked and he should be granted anticipatory bail. The first and foremost thing that the court hearing an anticipatory



bail application should consider is the prima facie case put up against the accused. Thereafter, the nature of the offence should be looked into along with the severity of the punishment. Custodial interrogation can be one of the grounds to decline anticipatory bail. However, even if custodial interrogation is not required or necessitated, by itself, cannot be a ground to grant anticipatory bail.”

(emphasis supplied)

36. With regards to importance of custodial interrogation, reference may also be had to the decision of this Court in *Prakash Gupta v. State (NCT of Delhi) 2017 SCC OnLine Del 9265*, wherein the following was observed:

“42. The requirement of the offender for custodial interrogation in serious and grave offences should be assessed from a practical approach. The conduct, demeanour, tone and tenor, body language of the accused on anticipatory bail is entirely different. The accused on such liberty always shrugs off his shoulders to the commission of crime or being privy to it in any manner. Law treats him as innocent unless he is convicted. Knowing it well the accused even in grave offences travel beyond truth. He is not expected to reveal the truth. It is only the custodial interrogation which leads to vital clues in recovering the case property, involvement of other persons, criminal conspiracy, place of concealment of case property etc. Persons accused of grave offences cannot be permitted to take the administration of justice for a ride. No doubt, arrest of a person, accused of an offence, may tarnish his image and that of his family members, relatives, friends, nears and dears. Because of this, sometimes some harsh steps are taken by the accused as such accusation brings bad name to him and his family. However, court must not be oblivious to the fact as to trauma, pain, sufferings of the victims and their family members. Sometimes, harsh steps are also taken by the victims out of frustration or due to loss of life or on account of loss of valuables or properties. The court has to strike a balance and to examine meticulously in the facts and



circumstances of each case as to whether custodial interrogation of the accused is required or not. Allowing a person who is accused of such a grave offence out on bail even before he is arrested would not only interfere with investigation process but also may erode the faith of the citizens in the justice delivery system. Offences where such a large quantity of gold/amount of money is involved, it should be investigated in a thorough and fair manner.”

(emphasis supplied)

37. In so far as the contention of the learned counsel for the petitioner that the petitioner is an 80-year-old man suffering from various ailments, this Court finds that the said ground does not entitle the petitioner to the relief of anticipatory bail in light of the gravity of the offence and the necessity of recovery of high value watches.

38. Furthermore, the ailments pleaded by the petitioner, namely diabetes and hypertension, are common lifestyle diseases that are manageable with standard medication. There is no material on record to suggest that the petitioner is suffering from any life-threatening ailment that cannot be treated while in custody. The Hon'ble Supreme Court and this Court have consistently held that old age or illness cannot be a shield to evade the process of law, especially in cases involving serious economic offences where the accused is alleged to have misappropriated valuable assets. Reference in this regard may be had to a decision of a coordinate bench of this Court in *Sameer Mahandru v. Directorate of Enforcement 2023 SCC OnLine Del 6680*, which observed the following:

“57. The State carries a dual obligation in the matters such as the present one. Firstly, it is bound by its commitment to thoroughly



investigate the case, ensuring that the process is conducted fairly and impartially. Simultaneously, the State is entrusted with the responsibility of providing adequate medical care to the accused. The prospect of seeking bail on medical grounds arises when the prison authorities are incapable of providing the required care or treatment essential for the treatment of accused including the referral hospitals according to the circular mentioned above. It is also crucial that the sickness should be of such a nature that if the accused is not released on bail, he cannot be ensured proper treatment for his ailment.”

(emphasis supplied)

39. Considering the gravity of the allegations, the contradictory stand taken by the petitioner regarding the possession of the watches, the *prima facie* case made out against the petitioner, and the high value of the case property which is yet to be recovered, this Court is of the opinion that this is not a fit case for the grant of anticipatory bail.

40. Accordingly, the instant bail application 5002/2025, along with any pending application is thereby, dismissed.

41. However, it is pertinent to mention that the petitioner was granted interim protection till the pronouncement of this judgment. The said protection now stands withdrawn.

42. It is made clear that the observations made hereinabove are only for purpose of deciding the present bail application, and the same shall not be construed as expression of opinion on the merits of the case.

VIKAS MAHAJAN, J

FEBRUARY 24, 2026/ N.S. ASWAL