



2025:DHC:7557



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

% **Decided on: 1st September, 2025**

+ **BAIL APPLN. 4798/2024**

RAVI SINGH SANDHU

.....Petitioner

**Through: Mr. Ashok Sharma & Mr.
Irshad Ahmed, Advocates**

Vs.

THE STATE GOVT. OF NCT OF DELHI

.....Respondent

**Through: Mr. Aman Usman, APP
for the State with SI Shyam,
PS Hari Nagar
Mr. Amit Sharma & Ms.
Khushboo Sharma, Advocates
for the complainant**

CORAM

HON'BLE JUSTICE RAVINDER DUDEJA

J U D G M E N T

1. This is an application under Section 439 of the Code of Criminal Procedure ["Cr. PC"]/ Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 ["BNSS"] for grant of regular bail to the petitioner in case FIR bearing No. 596/2022, under Sections 420/468/471/34 IPC, PS Hari Nagar.

FACTUAL BACKGROUND

2. The present FIR was registered on the complaint of Raj Kumar Singh, Director of M/s Anushka Air Conditioners Company. He alleged that one of his friends Manoj Singh introduced him to the



petitioner as a Liasoner and Director of a Switzerland based company namely Showman Impex Company, Zurich, Switzerland and Sole Proprietor of Accacia International. The complainant was duped of Rs. 5 lakhs, and subsequently, he was induced to pay Rs. 1.87 crores for arranging Foreign Letter of Credits [“FLCs”] of 1 million US Dollars in favour of his exporter company in China.

3. Complainant made the payment through his HDFC account to facilitate the opening of FLCs. Despite payment, petitioner did not fulfil his promise for arranging the FLCs. Later, he handed over to the complainant forged and fake FLCs. Petitioner issued three cheques amounting to Rs. 2.59 crores to the complainant, but they were dishonoured as it was found that the account was closed.

SUBMISSIONS ON BEHALF OF THE PETITIONER

4. Learned counsel for the Petitioner submits that the present dispute is purely civil in nature, arising out of a loan transaction supported by a notarized agreement dated 15.03.2011 and a promissory note dated 22.12.2014. It is pointed out that the alleged transaction is of March 2011, however, the FIR was registered only in 2021 and this huge delay casts doubt on the version of the complainant. It is urged that the Petitioner has repaid Rs.44 lakhs and made further payments from time to time- thereby showing that it is a civil dispute. It is contended that the complainant has deliberately suppressed these repayments to give a criminal colour to a civil recovery matter.



5. Ld. Counsel further submits that as per the Nominal roll, the Petitioner has been in custody for almost one year five months now. It is stated that the Petitioner is 58 years old, a chronic heart patient who has undergone angioplasty, and his custodial interrogation is not required since the charge sheet has already been filed. Reliance is placed on *R.P. Kapoor v. State of Punjab*, AIR 1960 SC 866; *Babu Bhai v. State of Gujarat*, (2010) 12 SCC 254; *Ram Bihari Yadav v. State of Bihar*, 1998(4) SCC 517 and *Nirmal Singh Kahlon v. State of Punjab* (2009) 1 SCC 441, to contend that criminal proceedings should not be used to settle civil disputes and fair investigation is a fundamental right.

SUBMISSIONS ON BEHALF OF THE STATE

6. *Per contra*, Ld. Additional Public Prosecutor for the State has opposed the application and submitted that the Petitioner is the principal architect of a deliberate and calculated economic offence involving more than Rs. 2.5 crores. It is contended that though the initial transaction took place in 2011, the offence continued till 2014 when repayment was promised, and the complainant lodged complaints in 2016, 2018 and 2019, leading to FIR registration in 2022. It is argued that the so-called promissory note is a disputed document, and the repayments claimed are unsubstantiated. The *modus operandi* i.e. accepting funds under false pretences, delivering forged FLCs, and issuing cheques from a closed account demonstrates criminal intent from inception.



7. Relying on the Status Report, the Ld. Additional PP contended that during investigation, the financial transactions were verified, the forged documents were confirmed, and the Petitioner was found to be the direct beneficiary of the cheated amount. It is stated that the Petitioner was declared a Proclaimed Offender on 27.01.2024- thereby indicating a flight risk and was arrested on 15.03.2024. The charge sheet was filed on 12.06.2024, followed by a supplementary charge sheet on 17.08.2024. Bail was denied to the Petitioner by the Ld. Trial court vide orders dated 19.07.2024, 31.07.2024 and 03.09.2024- on the ground of substantial monetary loss caused by him. It is further submitted that the accused lacks a permanent address in Delhi, poses a threat to witnesses, may tamper with evidence, and is likely to abscond.

8. The Ld. Additional PP has further contended that given the magnitude of the fraud, the financial loss to the complainant's business and the Petitioner's conduct in evading repayment, there is a real apprehension of tampering with evidence and influencing witnesses if bail is granted.

ANALYSIS AND FINDING

9. The Court has considered the rival submissions, the material on record, and the settled principles governing the grant of bail in cases involving allegations of cheating, forgery, and economic offences. The present case is not one where the dispute can *prima facie* be characterised as purely civil. The FIR and charge sheet set out a chain of events in which the Petitioner received substantial sums from the



complainant- Rs.5 lakhs initially and thereafter Rs.1.87 crores on the representation of arranging Foreign Letters of Credit [FLC]. The prosecution material indicates that the FLCs supplied were forged; that the Petitioner subsequently issued cheques for repayment which were dishonoured as the bank account was closed; and that thereafter the Petitioner evaded the complainant and became untraceable.

10. It is trite that the mere existence of a written agreement or promissory note does not *ipso facto* convert a case of fraudulent inducement into one of pure civil liability. In **R. Venkatkrishnan v. CBI**, (2009) 11 SCC 737, the Supreme Court has clarified that where dishonest intention exists at the inception of a transaction, the presence of contractual documentation will not shield an accused from criminal prosecution. Here, the allegations regarding delivery of forged instruments, dishonoured cheques from a closed account, and avoidance of repayments are all consistent with a fraudulent design from the outset.

11. In the present matter, the amount involved is not trivial but to the tune of Rs.2.59 crores (including interest).The Petitioner's contention that he has repaid Rs. 35 lakhs and that the complainant has suppressed the promissory note is a matter of trial. At this stage, the Court is concerned with the existence of a *prima facie* case, the gravity of the allegations, and the likelihood of the accused misusing liberty if enlarged on bail.

12. The alleged acts fall squarely within the category of "grave economic offences". In **Nimmagadda Prasad v. CBI** (*supra*), the



Supreme Court observed that such offences, involving deep-rooted conspiracies and financial loss, have far-reaching implications for society and must be approached with a different yardstick when considering bail. In *Y.S. Jagan Mohan Reddy v. CBI (supra)*, it was held that economic offences constitute a class apart and grant of bail should be exercised with great circumspection. The decision in *State of Gujarat v. Mohanlal Jitamalji Porwal (supra)*, further reinforces that economic offences corrode the fabric of the nation.

13. While the line between civil disputes and criminality can at times be thin, the allegations here are not confined to mere non-payment; they include deceit at inception, use of forged instruments (alleged fake FLCs), and issuance of cheques that bounced owing to a closed account. At the bail stage, the Court does not conduct a mini-trial; the test is whether there exist reasonable grounds to believe the accusations and whether release would jeopardize the administration of justice (*State of U.P. v. Amarmani Tripathi, (2005) 8 SCC 21* and *Prasanta Kumar Sarkar v. Ashis Chatterjee, (2010) 14 SCC 496*).

14. The Supreme Court in *State of Bihar v. Amit Kumar @ Bachcha Rai, (2017) 13 SCC 751* held that while the legal principles relied upon are undisputed, the grant of bail cannot be governed by any rigid formula and must be assessed on the facts of each case. The State's interest in preventing crime and the individual's right to liberty under Article 21 must both be safeguarded. Section 439 Cr. PC casts a duty on the Court to ensure fairness before curtailing liberty. Though



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“bail is the rule and jail is the exception” is a settled proposition, the competing considerations in each case must be carefully balanced.

15. The Petitioner has been in custody since March 2024 for almost 1.5 years, but the trial is yet to begin. The mere fact of filing of the charge sheet does not automatically entitle the accused to bail in economic offences, as held in *P. Chidambaram v. Directorate of Enforcement*, (2020) 13 SCC 791. In such matters, the Court must weigh the gravity of the offence, the role of the accused, and the possibility of influencing witnesses or tampering with evidence.

16. The Petitioner’s medical condition (angioplasty history) has not been shown to be such as cannot be adequately managed with the medical facilities available in judicial custody. No exceptional circumstance has been brought on record that would warrant departure from the settled approach in serious economic offences.

17. Having regard to the nature and gravity of the allegations, the *prima facie* evidence indicating fraudulent intent of the Petitioner from inception, the financial loss caused and the apprehensions expressed by the State, this Court is of the considered opinion that the Petitioner has not made out a case for grant of bail at this stage.

18. The application is accordingly dismissed.

19. Nothing stated in this order shall be construed as an expression on the merits of the case.

RAVINDER DUDEJA, J.

1st September, 2025/AK