

**Bail application no.411/2026**

**State Vs. Jai Suri**

**FIR no.337/2025**

**PS Hauz Khas**

**13.04.2026**

Present: Sh. Arun Kumar Singh, Ld. Additional PP for  
the State.

1. The present application has been filed under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (corresponding to Section 438 Cr.P.C.) seeking grant of anticipatory bail on behalf of the applicant Jai Suri, who apprehends arrest in FIR No. 337/2025 registered under Section 420 IPC at Police Station Hauz Khas.

2. Briefly stated, the allegations against the applicant are that he, being a builder by profession, had entered into a collaboration agreement in the year 2018 with the owners of property bearing No. A-90, South Extension-II, New Delhi, for reconstruction of the said property. As per the terms of the collaboration agreement, the applicant was entitled to the entire second floor along with one-fourth share in the stilt parking. It is the case of the complainant, namely Raj Kumar Jalan, that in the year 2019, the applicant entered into an agreement to sell one of the two flats constructed on the second floor (falling to the share of the applicant) for a total consideration of Rs. 2.25 crore out of which a sum of Rs. 1.15 crore was allegedly paid through cheque, RTGS and cash. The balance amount was to be paid in instalments under a construction-linked plan. It is further alleged that despite receipt of substantial consideration, the applicant failed to execute the sale deed in favour of the complainant and

instead transferred the said flat to a third party, thereby cheating the complainant.

3. I have heard the learned counsel for the applicant, learned counsel for the complainant, and the learned Additional Public Prosecutor for the State, and have perused the material placed on record.

4. It has been contended on behalf of the applicant that the dispute between the parties is essentially civil in nature arising out of contractual obligations. Attention has been drawn to Clause 3 of the agreement to sell, which provides for payment of penalty and interest @ 2% per month in case of failure in handing over possession, thereby demonstrating that the parties had contemplated consequences of breach within the contractual framework itself. It is further submitted that there were multiple transactions between the parties, and in fact, the applicant had executed a sale deed in favour of the complainant in respect of another property situated at Gautam Nagar on 06.05.2019. Reliance has also been placed upon WhatsApp communications exchanged between the parties to show that their business dealings continued even after the transaction in question.

5. Per contra, learned counsel for the complainant has argued that the act of transferring the flat to a third party clearly indicates dishonest intention on the part of the applicant from the very inception, thereby attracting the ingredients of the offence of cheating.

6. At the outset, it is well settled that while exercising

jurisdiction under Section 438 Cr.P.C. (now Section 482 BNSS), the Court is required to strike a balance between the individual's right to personal liberty and the investigational rights of the police. The principles governing grant of anticipatory bail have been succinctly laid down by the Hon'ble Supreme Court in *Gurbaksh Singh Sibbia v. State of Punjab 1980 SCC (2) 565* and reiterated in *Siddharam Satlingappa Mhetre v. State of Maharashtra 1, 2011 (1) SCC 694*, wherein it has been held that anticipatory bail is an extraordinary remedy to be granted in appropriate cases where the Court is satisfied that the applicant has been falsely implicated or where custodial interrogation is not required.

7. It is equally settled that criminal proceedings should not be permitted to be used as a weapon for arm-twisting or for settling civil disputes. In numerous cases the Hon'ble Supreme Court has cautioned against giving a criminal colour to disputes arising purely out of contractual obligations, unless the ingredients of the alleged offence are clearly made out from the inception(Ref: *Mohd. Ibrahim vs State of Bihar 2010 AIR SCW 405*, *Lalit Chaturvedi vs State of Uttar Pradesh 2024 SCC OnLine 171*, *G. Sagar Suri v. State of U.P. 2000(2) SCC 6361* and *M/S. Shikhar Chemicals vs The State of Uttar Pradesh SLP (CRL.) NO.11445 2025*)

8. In the present case, the dispute arises out of an agreement to sell executed between the parties in the backdrop of a collaboration agreement. The terms of the agreement itself provide for consequences in case of breach, including payment of penalty and interest. This indicates that the parties had contemplated the possibility of non-performance and had agreed

upon civil consequences for the same.

9. Prima facie, the matter appears to be one involving breach of contractual obligations. The appropriate remedy for such grievances lies before the competent civil forum, where proceedings for recovery of money or for specific performance of contract may be instituted in accordance with law.

10. Further, the material placed on record prima facie shows that there were ongoing dealings between the parties, including execution of another sale deed in favour of the complainant and continued communications even after the transaction in question. These circumstances, at this stage, dilute the allegation of fraudulent or dishonest intention at the inception of the transaction, which is a sine qua non for constituting an offence under Section 420 IPC.

11. It is also pertinent to note that the case is primarily based on documentary evidence, including agreements, MoU and financial transactions, all of which are already in existence and can be examined during the course of investigation without requiring custodial interrogation of the applicant. No specific ground has been brought to the notice of this Court necessitating custodial interrogation.

12. Having regard to the totality of facts and circumstances, the nature of allegations, the documentary character of evidence, and the settled principles governing grant of anticipatory bail, I am of the considered view that the applicant has made out a case for grant of anticipatory bail.

13. Accordingly, the present application is allowed. It is directed that in the event of arrest, the applicant Jai Suri shall be released on bail on furnishing a personal bond in the sum of Rs. 50,000/- with one surety of the like amount to the satisfaction of the concerned IO/SHO, subject to the following conditions:

- i. The applicant shall join the investigation as and when required by the Investigating Officer and shall cooperate in the investigation.
- ii. The applicant shall not directly or indirectly induce, threaten or promise any person acquainted with the facts of the case.
- iii. The applicant shall not leave the country without prior permission of the Court.
- iv. The applicant shall not tamper with evidence or influence witnesses in any manner.

14. It is clarified that any observation made herein is only for the purpose of deciding the present application and shall not be construed as an expression on the merits of the case.

15. Application stands disposed of accordingly. Copy of this order be given dasti to learned counsel for the parties as well as to the Investigating Officer.

**(Samar Vishal)**  
**ASJ-02/South District**  
**Saket Courts, New Delhi**  
13.04.2026