

IN THE SUPREME COURT OF INDIA

CRIMINAL ORIGINAL JURISDICTION

CRIMINAL APPEAL No.3485/2026

(@ SPECIAL LEAVE PETITION (CRIMINAL) No. 4913/2026

RENU MEHTA & ANR. APPELLANT(S)

VERSUS

STATE OF PUNJAB & ORS. RESPONDENT(S)

O R D E R

1. Leave granted.

2. We have heard Mr. PS Patwalia, learned senior counsel for the appellants; Mohd Irshad, learned Additional Advocate General for the State of Punjab; and Mr. R.K. Jain, learned senior counsel for the informants- respondent Nos.2 and 3.

3. The related Special Leave Petition has been filed against the condition imposed by the High Court of Punjab and Haryana (High Court) while granting anticipatory bail to the appellants. The offending condition reads thus:

27. So, the concession of bail is further subject to deposit of an amount of Rs.4,00,00,000/- (Rupees Four Crores), in the Court of the Area Magistrate or with the Investigating Officer in the form of a Fixed Deposit Receipt (FDR) from a nationalized bank, wherever dispute remains pending, within a period of six months from today. Petitioners are directed to ensure that the

said FDR is renewed at least one week prior to its expiry, until such time as it is encashed by the concerned party.

It is further clarified that the FDR with its matured amount shall be encashed by the concerned party subject to the final decision in the case by the competent court, or alternatively, if the dispute is resolved amicably between the parties.

4. Appellants are accused in FIR No.78 of 2022 registered at Police Station Phase-1 S.A.S. Nagar, (Mohali) under Sections 406, 420 and 120-B of the Indian Penal Code, 1860 (for short, 'IPC'). Shorn of details, as per the allegation made in the FIR, appellants have duped the informants of a substantial sum of money which the informants had invested through them for purchase of an industrial estate at Mohali in the State of Punjab. It is not necessary at this stage to go into the minute details of the allegations against the appellants in as much as grant of anticipatory bail by the High Court to the appellants have not been assailed either by the State or by the informants.

5. In the impugned order, the High Court noted that informants have already instituted a suit for specific performance being Civil Suit No.265 of 2024 pending in the Court of Civil Judge, Senior Division, S.A.S. Nagar- Mohali; the allegations and materials disclose a dispute having a predominantly civil flavour. By the impugned order dated 22.12.2025 the appellants have been granted the benefit of pre-arrest bail but on the condition, extracted

supra.

6. While disposing of the matter, the High Court observed that the investigation should be expedited whereafter the Trial Court should finally be decided within one year.

7. This Court by order dated 13.04.2026, issued notice and stayed the condition of depositing ₹4,00,00,000/- (Rupees four crores only) as a condition precedent for bail. However, this Court directed the appellants to file an undertaking before the Trial Court that they would not transfer the properties any further.

8. Mr. Patwalia, learned senior counsel submits that in so far the undertaking directed by this Court is concerned, the same has already been filed. He submits that the High Court has also accepted the contention of the appellant that the dispute between the informant and the appellants is primarily civil in nature and therefore had granted anticipatory bail to the appellant. However, the High Court could not have imposed the condition of deposit of ₹4,00,00,000/- (Rupees four crores only). In support of his contention, he has placed reliance on the following judgments:

I. Munish Bhasin v. State NCT of Delhi (2009)
4 SCC 45.

II. Ramesh Kumar v. State NCT of Delhi (2023)
7 SCC 461.

III. Pratnik Kumar v. State of Jharkhand SLP
(Crl) D.No.4297/2026.

IV. Gajanan Dattatray Gore v. State of
Maharashtra & Anr.

8.1. On the strength of the above decided cases, Mr. Patwalia,

learned senior counsel submits that this Court may set aside the condition of deposit of ₹4,00,00,000/- (Rupees four crores only) as imposed by the High Court while granting anticipatory bail to the appellants.

9. Learned Additional Advocate General for the State of Punjab referring to the counter affidavit filed on behalf of the State submits that investigation is complete whereafter the final report in the form of charge sheet has been prepared which would be presented before the Court shortly.

10. Mr. Jain, learned senior counsel for the informants-respondent Nos. 2 and 3 submits that respondent No.2 is now more than 90 years old. It is an admitted fact that she has been duped by the appellants. Though the transaction in question took place about 15-16 years ago, she is still awaiting justice in this case. Therefore, the High Court after noticing the plight of the informants, imposed the aforesaid condition of deposit of money to balance the interest on both the parties. In so far the judgments of this Court is concerned, learned senior counsel submits that each case turns on its own facts. In a matter relating to grant of bail, regular or anticipatory, the Court has the discretion to impose such conditions as it thinks necessary for furthering the cause of justice. Therefore, no interference is called for.

11. Submissions made by learned counsel for the parties have received the due consideration of the Court.

12. As already noted above, facts are not in dispute. The only issue is regarding legality and validity of the condition imposed

by the High Court directing the appellants to deposit an amount of ₹4,00,00,000/- (Rupees four crores only) before the concerned magistrate as a condition precedent for grant of anticipatory bail.

13. In *Munish Bhasin*, this Court observed that while exercising discretion to release an accused under Section 438 of the Code of Criminal Procedure, 1973 (for short, 'CrPC') neither the High Court nor the Sessions Court would be justified in imposing freakish conditions. Though the Court has the discretion to impose necessary, just and efficacious conditions while enlarging an accused on bail under Section 438 CrPC but the accused cannot be subjected to any irrelevant condition at all. Paragraph 12 of the said judgment reads as follows:

12. While imposing conditions on an accused who approaches the court under Section 438 of the Code, the Court should be extremely chary in imposing the conditions which are not called for at all. There is no manner of doubt that the conditions to be imposed under Section 438 of the Code cannot be harsh, onerous or excessive so as to frustrate the very object of grant of anticipatory bail under Section 438 of the code.

14. This Court in *Ramesh Kumar* considered this issue in an exhaustive manner. This Court noted that a disquieting trend emerging over the years which has gained pace in recent times has necessitated the rendering of the opinion. It has been found that in multiple cases where FIRs were lodged under Section 420 IPC, judicial proceedings initiated by the accused under Section 438

CrPC are unwittingly being transformed into processes for recovery of the quantum of money allegedly cheated and the courts driven to impose conditions for deposit/payment as prerequisite for grant of pre-arrest bail.

14.1. After referring to various decisions, this Court observed that in the context of grant of bail, all such conditions that would facilitate the appearance of the accused before the investigating officer or the trial court, would be relevant and should only be imposed. However, inclusion of a condition for payment of money by the accused for bail tends to create an impression that bail can be secured by depositing money alleged to have been cheated. This is really not the purpose and intent of the provision for grant of bail.

14.2. Clarifying the position, this Court observed that in exceptional cases, such as, where an allegation of misappropriation of public money by the accused is levelled and the accused while seeking indulgence of the court to have his liberty secured, volunteers to make good the money allegedly misappropriated by him, it would be open to the Court concerned to consider whether in the larger public interest the money allegedly misappropriated should be allowed to be deposited before the application for anticipatory bail or regular bail, as the case may be, is taken up for consideration. However, such an effort would not be warranted in cases of private disputes where private parties complain of their money being involved in the offence of cheating.

15. This Court in *Gajanan Dattatray Gore* held as follows:

24. Be that at it may, now we have made ourselves very clear that there shall not be a single order that the High Courts and the Trial Courts shall pass for grant of regular bail or anticipatory bail on the basis of any accused or his/her family members giving an undertaking to deposit a particular amount. The plea shall be decided strictly on merits in accordance with law. If the case is made out on merits the court may exercise its discretion and if no case is made out on merits, the court shall reject the plea for regular bail or anticipatory bail as the case may be. However, in any circumstances the High Courts or trial courts shall not pass a conditional order of regular bail or anticipatory bail.

16. Though the High Court had relied upon a judgment of this Court in *Subhelal Alias Sushil Sahu vs. State of Chhattisgarh* (2025) 5 SCC 140, that was a case of crypto currency scam in which almost 2,000 investors had lost their money in the scheme floated by the accused persons. In the peculiar facts of that case whether the interest of a large number of depositors were involved, this Court directed the accused to deposit an amount of ₹35,00,000/- (rupees thirty five lakhs only) before the Trial Court. However, while directing so, this Court observed as under:

26. We are conscious of the fact that we have been condemning the High Courts when they impose such conditions. But here is a case wherein we are compelled to impose such

conditions having regard to the peculiar facts of this case.

17. We are, therefore, of the considered opinion that the decision in *Subhelal Alias Sushil Sahu*, would not be attracted to the facts of this case.

18. When the High Court came to the conclusion that a case for anticipatory bail is made out, it ought not to have imposed such a condition as a pre-condition for bail.

19. Having regard to the above and on due consideration, we set aside the condition imposed by the High Court for depositing ₹4,00,00,000/- (Rupees four crores only) by the appellants as extracted supra, as a condition precedent for grant of pre-arrest bail.

20. We feel that the undertaking given by the appellants before this Court in terms of our order dated 13.04.2026 that appellants would not transfer the properties any further, is actually redundant in as much as the Civil Court in the pending civil suit has already directed by order dated 20.12.2024 that the defendants (appellants herein) shall not alienate the suit property any further. Therefore, the undertaking given by the appellants in terms of the order of this Court would stand merged with the order of the Civil Court.

21. Since investigation is complete, we direct the prosecution to submit charge sheet within 2 weeks from today whereafter the parties may avail their respective remedies in accordance with law.

22. The appeal is accordingly allowed.

23. Pending application(s), if any, shall also stand disposed of.

.....J.

(UJJAL BHUYAN)

.....J.

(ATUL S. CHANDURKAR)

NEW DELHI;
July 28, 2026.
IZ

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Petition for Special Leave to Appeal (Crl.) No.4913/2026

[Arising out of impugned final judgment and order dated 22-12-2025 in CRMM No. 22415/2022 passed by the High Court of Punjab & Haryana at Chandigarh]

RENU MEHTA & ANR.

Petitioner(s)

VERSUS

STATE OF PUNJAB & ORS.

Respondent(s)

FOR ADMISSION

IA No. 84434/2026 - EXEMPTION FROM FILING O.T.

Date : 28-07-2026 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE UJJAL BHUYAN

HON'BLE MR. JUSTICE ATUL S. CHANDURKAR

For Petitioner(s) :Mr. PS Patwalia, Sr. Adv.
Mr. Chritarth Palli, AOR
Mr. Agam Agarwal, Adv.

For Respondent(s) :Mr. Mohd Irshad, A.A.G.
Mr. Karan Sharma, AOR
Mr. Chetan Manchanda, Adv.

Mr. R.K. Jain, Sr. Adv.
Dr. Mansi Jain, Adv.
Ms. Bhoomika, Adv.
Ms. Shivangi Singh Rawat, AOR

UPON hearing the counsel the Court made the following
O R D E R

1. Appeal is allowed in terms of the signed order.
2. Pending application(s), if any, shall stand disposed of.

(IRAMNAZ)
COURT MASTER (SH)

(CHETNA BALOONI)
COURT MASTER (NSH)

(signed order is placed on the file)