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**IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH**

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Amit Kumar @ Amit Kumar Gupta

...Petitioner

V/s

State of Punjab

...Respondent

**Date of decision: 05.03.2026****Date of Uploading : 06.03.2026****CORAM: HON'BLE MR. JUSTICE SUMEET GOEL**

Present: Mr. Shiv Kumar, Advocate for the petitioner.

Mr. Hemant Aggarwal, DAG Punjab.

Ms. Sushma Suman, Advocate as legal Aid Counsel  
for the complainant.

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**SUMEET GOEL, J. (Oral)**

1. Present petition has been filed under Section 439 of the Code of Criminal Procedure, 1973 seeking grant of regular bail to the petitioner in case bearing FIR No.202 dated 22.07.2024, registered for the offences punishable under Sections 406/420 of IPC at Police Station Kharar, District SAS Nagar.

2. The gravamen of the FIR in question is that the complainant namely Anjali Gautam has alleged that she wanted to purchase a flat and one of her acquaintance namely Amandeep Singh told the complainant that the petitioner was running a real estate business in the name and style of Gunjan Land Developers. Trusting his words, the complainant alongwith her husband Manish Kumar and Amandeep Singh visited the office of the petitioner whereupon the petitioner had shown them two flats bearing No.309 C and 310 C at GLD Homes, Kharar, District SAS Nagar. It has

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been further alleged that on 20.10.2020, the petitioner Amit Kumar had executed an agreement to sell with regard to aforesaid two flats for a sum of Rs.56.00 lacs whereupon the complainant had transferred a sum of Rs.8.00 lacs in the bank account of the petitioner. However, the petitioner lingered on the matter on one pretext or the other and had never executed the sale deed in their favour. Thereafter, the petitioner had again shown flat No.268 B at Sector 115, GLD Homes, Kharar. It has been further alleged that on 05.01.2024, the petitioner had executed full and final agreement to sell with the complainant regarding flats No.268 B and 309 C for a sum of Rs.46,50,000/- and paid an amount of Rs.38,50,000/- in cash to the petitioner. When the complainant requested the petitioner to execute the sale deed, the petitioner allegedly kept delaying the matter and later it came to the knowledge of the complainant that the flats had been sold to other parties as well. In this manner, the complainant had alleged that the petitioner had defrauded her of an amount of Rs.46,50,000/-. Based on these set of allegations, the instant FIR was registered and investigation ensued.

3. Learned counsel for the petitioner has iterated that the petitioner has been falsely implicated into the FIR in question. Learned counsel has further iterated that the FIR has been registered without properly verifying the actual facts and circumstances of the case. According to learned counsel, the allegations levelled in the FIR are incorrect and do not disclose the essential ingredients of the offences punishable under Sections 406 and 420 IPC. It has been further contended that the amount allegedly paid by the complainant in pursuance of the agreements to sell

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dated 20.10.2023 and 05.01.2024 respectively was never received by the petitioner. Rather, the entire transaction was conducted through a property dealer namely Atul Arora, who allegedly received the said amount from the complainant and her husband. It has been further submitted that the complainant has direct dealings with the said property dealer and has transferred the money on the basis of assurances given by him and, therefore, the petitioner has been unnecessarily roped into the present case. It has been further submitted that the agreements to sell relied upon by the complainant contain discrepancies and the signatures appearing therein do not match with the genuine signatures of the petitioner. It has been further contended that the allegation that the flats in question have been sold to third parties is factually incorrect. According to learned counsel, the investigating agency has failed to conduct a proper inquiry regarding the ownership and transfer of the properties in question and the FIR has been registered without ascertaining whether the properties were actually sold to any other person. Learned counsel has further argued that the dispute between the parties, if any, arises out of an agreement to sell and is essentially of a civil nature and has given a criminal colour in order to pressurize the petitioner and recover the money. It has also been submitted that the petitioner has never served with any notice under Section 41-A Cr.P.C. nor he has been afforded an opportunity to explain his position before registration of the FIR. According to learned counsel, the investigating agency has failed to conduct a fair and proper inquiry and registered the FIR merely on the basis of allegations made by the complainant. Learned counsel has asserted that the petitioner has been



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cooperating with the investigation and undertakes to continue to do so as and when required by the investigating agency. Furthermore, the entire evidence in the present case is documentary in nature and is already in custody of the investigating agency, therefore, no useful purpose would be served for continued incarceration of the petitioner. On the strength of aforesaid submissions, the grant of petition in hand is entreated for.

4. *Per contra*, learned State counsel has vehemently opposed the grant of bail to the petitioner by arguing that the allegations raised against the petitioner are serious in nature. Learned State counsel has iterated that the petitioner, on the pretext of selling residential flats, induced the complainant and her husband to enter into agreements to sell and received substantial amounts of money but deliberately failed to execute the sale deeds in their favour. It has been further contended that the investigation conducted so far reflects that the complainant and her husband have paid large amount of money relying upon the assurances given by the petitioner regarding the sale of the flats in question. However, despite receiving the said amount, the petitioner did not honour the agreements and kept on delaying the execution of the sale deeds, thereby cheating the complainant.

Learned State counsel has pointed out that the petitioner has earlier been afforded the concession of interim regular bail by this Court, vide order dated 28.10.2024, subject to the condition that he shall pay an amount of ₹26,50,000/- to the complainant on or before 31.01.2025. According to learned State counsel, the petitioner has failed to comply with the said condition till date which clearly shows his lack of *bona fides* and disregard for the order passed by this Court. Furthermore, several other FIRs

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involving similar allegations of cheating in property transactions have been registered against the petitioner which reflects a pattern of conduct and raises a strong apprehension that the petitioner may indulge in similar activities if released on bail. It has been contended that in view of the gravity of the allegations, the conduct of the petitioner in not complying with the condition imposed by this Court as also the pendency of other similar cases against him, the petitioner does not deserve the concession of regular bail. Accordingly, prayer has been made for the dismissal of the petition in hand.

5. Learned counsel appearing for the complainant has contended that the petitioner has intentionally induced the complainant and her husband to purchase the flats in question and on the basis of his assurances, the complainant has paid substantial amounts of money in pursuance of the agreements to sell. However, despite receiving the said amounts, the petitioner has failed to execute the sale deeds and deliberately kept delaying the matter which clearly reflects his dishonest intention from the very beginning. According to learned counsel, the complainant and her husband has made repeated requests to the petitioner for execution of the sale deeds but the petitioner avoided the same on one pretext or the other. Furthermore, the petitioner has earlier been granted the interim regular bail vide order dated 28.10.2024 subject to the condition that he shall pay an amount of ₹26,50,000/- to the complainant on or before 31.01.2025. However, the petitioner has failed to comply with the said condition till date and has not paid the agreed amount. On these grounds, learned counsel for

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the complainant has prayed that the present petition deserves to be dismissed.

6. I have heard learned counsel for the rival parties and have perused the available record.

7. The factual *milieu* of the case in hand, especially perusal of the *earlier order dated 28.10.2024*, reflects that there was no adjudication of the plea of regular bail on merits thereof and a Coordinate Bench of this Court has proceeded to afford interim regular bail to the petitioner on account of the dispute(s) having been amicably settled between the parties and it was directed that the parties shall abide by the terms and conditions of the settlement agreement. It is further reflectable from the record that the terms and conditions of the settlement agreement have not been complied with and, on the contrary, a plea is being raised by the non-applicant-petitioner that the complainant has an alternative remedy to enforce the same. It is a fundamental principle of law that when a party secures a discretionary order of bail predicated upon a compromise, the terms of that settlement cease to be a mere private arrangement. By inviting the Court to act upon such a compromise, the petitioner effectively transmutes a horizontal contractual obligation into a vertical undertaking toward the Bench. Consequently, any subsequent default does not merely give rise to a civil cause of action for breach of contract, but rather constitutes a direct affront to the dignity of the Court and a violation of the solemn assurance upon which the petitioner's liberty was contingent. The discretionary power of bail under the Code is intended to balance personal liberty with the administration of justice; it is not a sanctuary for those who intend to treat judicial orders as *optional* or



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*negotiable*. At this juncture, it would be apposite to refer herein to a judgment passed by the Hon'ble Supreme Court titled as ***Gajanan Dattatray Gore vs. The State of Maharashtra and another, 2025 INSC 913***, relevant whereof reads as under:

*“16. We have come across cases like the one in hand where accused persons have gone to the extent of filing affidavits in the form of undertaking that they would deposit a particular amount within a particular period and then conveniently resile from such undertakings saying it is an onerous condition.*

*17. In some cases, perhaps the accused may abide by such undertaking, but our experience so far has been that in many cases the accused later would not abide and flout the undertaking. In many cases it would be argued on behalf of the accused that he had never made such a statement and the court on its own had recorded in the order that the accused is ready and willing to deposit a particular amount. At times the entire blame is thrown on the lawyer in making such statement for the purpose of obtaining order of bail or anticipatory bail as the case may be. In such circumstances, the concerned court would be left with no other option but to cancel the bail either at the instance of the State or the original complainant.*

*18. The case in hand is one in which the appellant on his own free will and volition filed an affidavit in the form of an undertaking before the High Court that he would deposit an amount of Rs.25,00,000/- but ultimately resiled to do so and the High Court had to cancel the bail. It was too much for the lawyer of the appellant to argue before the High Court that asking his client to deposit Rs. 25,00,000/- was unreasonable. It reflects on the professional ethics.*

*19. By this order, we make it clear and that too in the form of directions that henceforth no Trial Court or any of the High Courts shall pass any order of grant of regular bail or anticipatory bail on any undertaking that the accused might be ready to furnish for the purpose of obtaining appropriate reliefs.*

*20. The High Courts as well as the Trial Courts shall decide the plea for regular bail or anticipatory bail strictly on the merits of the case. The High Courts and the Trial Courts shall not exercise their discretion in this regard on any undertaking or any statement that the accused may be ready and willing to make.*



21. *This practice has to be stopped. Litigants are taking the courts for a ride and thereby undermining the dignity and honor of the court.*

22. *We hope and trust that the High Courts as well as the Trial Courts across the country do not commit the same mistake again.*

23. *In the case in hand, so far as the plea for regular bail is concerned, we are not inclined to look into. The appellant has made a mockery of justice. He could be said to have abused the process of law. If at all the High Court wanted to release the appellant on bail, it should have first asked him to deposit the amount within a particular period of time and upon such deposit the appellant could have been released.*

24. *Be that as 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.”*

It is pertinent to note herein that in ***Gajanan Dattatray Gore*** (supra) the Hon’ble Supreme Court issued a categorical mandate to the District Judiciary and the High Courts to adjudicate bail applications strictly on their substantive merits, without being influenced by or predicating such relief upon any undertaking or statement of settlement offered by the accused. However, the order in ***Gajanan Dattatray Gore*** (supra) was passed on 28.07.2025, whereas, the earlier order in the instant petition was passed on 28.10.2024.

7.1. This Court takes judicial notice of a burgeoning and distressing trend wherein accused-petitioners utilize the prospect of an amicable settlement as a strategic artifice to procure discretionary relief, only to subsequently repudiate their commitments once liberty is secured. Such



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conduct leaves the complainant in a state of precarious vulnerability and reduces the machinery of justice to a state of suspended animation. This manoeuvre of securing freedom through the pretense of restitution, is a flagrant manipulation of the Court's leniency. It is a stratagem that must be met with stern condemnation and shall have no sanctuary within the equitable jurisdiction of this Court. This court finds it imperative to discourage this growing propensity for *litigation opportunism* where the sanctuary of a judicial undertaking is traded for temporal procedural gain. To permit an accused-petitioner to resile from a Court-sanctioned compromise, with impunity, would be to render this Court's orders toothless and the administration of justice illusory. To view this breach as a simple civil dispute would be to allow the judicial machinery to be weaponized for private gain. The petitioner's conduct demonstrates that the promise of compliance was a deceptive artifice, intended solely to circumvent the rigors of custody without any bona fide intent to honor his commitments. Such '*shopping for liberty*' through hollow undertakings undermines the majesty of the law and brings the administration of justice into disrepute. There exists no doubt that the petitioner has treated the judicial process contumely, taking the court's leniency for a ride through a pre-meditated strategy of non-compliance

7.2. In view of the foregoing, this Court is of the considered opinion that the continued protection of the petitioner's liberty is no longer tenable. The petitioner has, by his own conduct, vitiated the very basis upon which the *earlier order dated 28.10.2024* was predicated.



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8. Indubitably, the allegations in the present case disclose that the complainant along with her husband was looking to purchase residential flats in the area of Kharar. The complainant and her husband came in contact with the present petitioner in connection with the purchase of flats bearing No. 309-C and 310-C (2BHK) situated at GLD Homes, Sector-115, Kharar. An agreement to sell dated 20.10.2023 was allegedly executed between the petitioner and the husband of the complainant for the sale of the aforesaid flats for a total consideration of ₹56,00,000/-. It is alleged that an amount of ₹8,00,000/- was paid to the petitioner at that time and subsequently another agreement dated 05.01.2024 was executed in respect of Flat No. 268-B and Flat No. 309-C and an amount of ₹46,50,000/- was allegedly paid by the complainant and her husband towards the said properties. When the complainant and her husband requested the petitioner to execute the sale deed in their favour, the petitioner kept delaying the matter and later it came to their knowledge that the flats in question had been sold to other parties as well. A profitable reference in this regard is made to the judgment passed by the Hon'ble Supreme Court titled as ***Rakesh Mittal vs. Ajay Pal Gupta @ Sonu Chaudhary and another 2026 INSC 161***, relevant whereof reads 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.”*



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9. Apart from the aforesaid allegations, the record as also the custody certificate reflects that the petitioner has been involved in 11 other FIRs under the IPC and 10 cases under the NI Act involving similar allegations which reflects a pattern of his conduct.

10. In view of the prevenient ratiocination, it is ordained thus:

(i) The present petition is devoid of merits and is hereby dismissed.

(ii) Any observations made and/or submissions noted hereinabove shall not have any effect on merits of the case and the investigating agency as also the trial Court shall proceed further, in accordance with law, without being influenced with this order.

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

**(SUMEET GOEL)**  
**JUDGE**

March 05, 2026

*Ajay*

Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No