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

*Date of decision: 9<sup>th</sup> June, 2026*

+ **BAIL APPLN. 2026/2026 & CRL.M.A. 16739/2026**

ASWATH REDDY N

.....Petitioner

Through: Mr. Mohit Mathur, Sr. Adv. with Mr.  
Rose Verma, Mr. Shreehari Kutsa and  
Mr. Kiran Naidu, Advs.

versus

STATE (NCT OF DELHI) & ANR.

.....Respondents

Through: Mr. Mukesh Kumar, APP with Ms.  
Shilpa Goel, Adv.  
Mr. Ramchandra Nehra, IO/EOW.  
Mr. Rajeev Sharma, Senior Advocate  
with Mr. Anuj Handa, Ms. Shruti  
Sharma, Ms. Shreya Sharma, Mr.  
Nishant Kandpal, Mr. Shubham  
Pandey, Mr. Aman Kumar Singh, Ms.  
Arunima Singh, Mr. Ayush  
Vishwakarma, Advocates for  
complainant.

**CORAM:**

**HON'BLE MS. JUSTICE MADHU JAIN**

**Madhu Jain, J. (Oral)**

1. This hearing has been done through hybrid mode.
2. The present application has been filed by the applicant seeking anticipatory bail under Section 482 of Bharatiya Nagarik Suraksha Sanhita (hereinafter, 'BNSS') in **FIR No. 112/2025** dated 08.09.2025, registered at P.S. Economic Offences Wing, South East District, Delhi for offences punishable under Sections 318(4), 316(2), 61(2) of BNSS, 2023.



3. The brief facts giving rise to the present application are that the applicant is the Managing Director of M/s Electrical Energy Equipments India Pvt. Ltd. (hereinafter referred to as 'EEE'), a company engaged in execution of electrical infrastructure and CAPEX projects awarded by Bangalore Electricity Supply Company Limited (hereinafter referred to as 'BESCOM'). BESCOM had awarded to EEE a contract valued at approximately Rs.47.20 Crores for execution of CAPEX works in Chikkaballapura Division. It is the case of the applicant that EEE had completed substantial portions of the said work much prior to the involvement of the complainant company, namely M/s Visual Technologies India Pvt. Ltd. (hereinafter referred to as 'VTI') and had longstanding commercial relations with BESCOM involving projects exceeding Rs.300 Crores.

4. As per the applicant, EEE entered into a Memorandum of Understanding dated 08.08.2024 (hereinafter referred to as the 'MoU') with the complainant company for supply of materials and supervision/execution of works in relation to the Chikkaballapura and Hirehalli Projects. Pursuant thereto, Purchase Orders were issued in favour of the complainant company.

5. As per the complainant, the applicant and EEE induced the complainant company to supply materials worth approximately Rs.9.31 Crores by representing that payments from BESCOM would be routed through an Escrow Account. It is alleged that despite the said representation, the applicant diverted the project payments received from BESCOM to another account of EEE instead of the proposed Escrow Account. It is further alleged that invoices raised before BESCOM were ante-dated and fabricated and that EEE dishonestly misappropriated the amounts received from



BESCOM. Pursuant thereto, the present FIR came to be registered.

6. Learned counsel for the applicant submits that the MoU with the complainant company was executed in August, 2024, whereas the payments received by EEE from BESCOM in October, 2024 pertained to bills which had been submitted before BESCOM in March, 2024, much prior to the execution of the MoU. He submits that there was no dishonest or criminal intention on the part of the applicant or EEE and that the applicant has regularly joined and cooperated with the investigation.

7. Learned counsel further submits that the Escrow Account could not be operationalized as BESCOM never processed the same despite the necessary request having been made. It is submitted that there was no intention on the part of the applicant to misappropriate any amount, inasmuch as the payments received in October, 2024 were not related to the projects covered under the MoU executed with the complainant company.

8. *Per contra*, learned counsel appearing for the complainant, who appears on advance notice, submits that the applicant is not entitled to any discretionary relief. He submits that the applicant has committed forgery and has filed forged and fabricated documents before this Court.

9. It is submitted that the Purchase Order originally executed between the parties consisted of only three pages, whereas the Purchase Order filed by the applicant on record is a six-page document. It is further submitted that while the MoU specifically provides for Delhi jurisdiction, on the other hand the Purchase Order relied upon by the applicant contains a clause conferring jurisdiction upon Courts at Bengaluru. According to the complainant, the Purchase Order relied upon by the applicant is a forged and fabricated document.



10. Learned counsel for the complainant further submits that although the applicant claims to be a law-abiding citizen, several litigations are pending against him before various Courts in Karnataka. It is also submitted that the applicant never disclosed to the complainant that substantial payments had already been received from BESCOM prior to execution of the MoU.

11. He has further placed reliance on the Judgement of the Supreme Court in *Nikita Jagganath Shetty alias Nikita Vishwajeet Jadhav v. State of Maharashtra 7& Anr. 2025 SCC OnLine SC 1489* and *Saurabh Agarwal v. State of Uttar Pradesh and Anr., 2026 SCC OnLine sc 948*.

12. Learned APP for the State submits that as per the status report filed by the Investigating Officer, the replies received during investigation from BESCOM clearly reveal that no payment was ever released to any Escrow Account. It is further submitted that BESCOM has informed the Investigating Agency that no invoices of EEE are presently pending with BESCOM and no outstanding amount remains payable by BESCOM.

13. Learned APP further submits that at the time of entering into the arrangement with the complainant company, substantial payments had already been released by BESCOM, which fact was never disclosed by the applicant to the complainant. It is submitted that investigation has also revealed discrepancies in the Purchase Orders relied upon by the parties and further investigation is required with respect to the financial trail and diversion of funds.

14. Learned APP submits that keeping in view the conduct of the applicant, the material collected during investigation and the fact that the applicant has not approached this Court with clean hands, the applicant is not entitled to the relief of anticipatory bail.



15. The Court has heard the learned counsel for the parties.
16. The law relating to anticipatory bail has been dealt with by the Supreme Court in *Nikita Jagganath Shetty alias Nikita Vishwajeet Jadhav v. State of Maharashtra & Anr.*, (Supra). the relevant paragraphs are reproduced hereunder:

*“18. This Court, in numerous judgments, has held that anticipatory bail is an exceptional remedy and ought not to be granted in a routine manner. There must exist strong reasons for extending indulgence of this extraordinary remedy to a person accused of grave offences. In this regard, we may gainfully refer to Srikant Upadhyay v. State of Bihar<sup>8</sup> wherein this Court noted as follows:*

*“We have already held that the power to grant anticipatory bail is an extraordinary power. Though in many cases it was held that bail is said to be a rule, it cannot, by any stretch of imagination, be said that anticipatory bail is the rule. It cannot be the rule and the question of its grant should be left to the cautious and judicious discretion by the Court depending on the facts and circumstances of each case. While called upon to exercise the said power, the Court concerned has to be very cautious as the grant of interim protection or protection to the accused in serious cases may lead to miscarriage of justice and may hamper the investigation to a great extent as it may sometimes lead to tampering or distraction of the evidence. We shall not be understood to have held that the Court shall not pass an interim protection pending consideration of such application as the Section is destined to safeguard the freedom of an individual against unwarranted arrest and we say that such orders shall be passed in eminently fit cases....”*  
*(emphasis supplied)”*



17. The Supreme Court has also reiterated the principles governing grant of anticipatory bail in cases involving allegations of economic offences in *Saurabh Agarwal v. State of Uttar Pradesh and Anr.*, (*Supra*) observing here as under:

*“18. Equally, the observation of the High Court that the complainant has sought refund of the amount in the FIR, thereby indicating a civil dispute, cannot be accepted as a ground to dilute the criminal allegations. It is well settled that the existence of a civil remedy does not preclude criminal proceedings where the ingredients of a criminal offence are prima facie made out. The mere fact that the complainant seeks restitution of the amount paid does not efface the allegations of cheating or fraud.*

*19. Furthermore, what is conspicuously absent in the impugned order is any consideration of material and relevant factors which ought to have guided the exercise of discretion of granting anticipatory bail to Respondent No. 2. The allegations pertain to an economic offence involving a substantial sum, coupled with assertions of deliberate conduct in alienating the property to a third party after receipt of a major portion of the sale consideration. Significantly, while dismissing the quashing plea (Criminal Misc. Writ Petition No. 1688 of 2025), preferred by Respondent No. 2 and her son, by order dated 08.05.2025, the High Court itself had recorded the existence of multiple criminal antecedents of a similar nature against the accused persons. The Sessions Court, while rejecting Bail Application (U/S 482 B.N.S.S.) No. 3593 of 2025, preferred by Respondent No. 2 and her son, by order dated 18.06.2025, had also taken note of such antecedents. Despite this, the impugned order of the High Court is completely silent on this aspect. The*



*omission to consider such relevant factors, particularly in a case involving allegations of economic fraud, renders the exercise of discretion by the High Court unsustainable.*

*20. Apart from the infirmities noted in the impugned order, we are also of the view that this is not a fit case for grant of anticipatory bail. The allegations, as borne out from the record, pertain to an economic offence involving a substantial amount, coupled with assertions of deliberate and premeditated conduct on the part of Respondent No. 2 and her son in inducing the complainant to part with a significant portion of the consideration and thereafter transferring the property to a third party. The material on record also indicates that Respondent No. 2 and her son were not readily available during the course of investigation and coercive steps were required to secure their presence. Having regard to the nature of the allegations, the magnitude of the transaction, the antecedents attributed to Respondent No. 2, and the requirements of a fair and effective investigation, we are of the considered view that the grant of anticipatory bail to Respondent No. 2 at this stage is not warranted.”*

18. Despite an opportunity having been granted to learned counsel for the applicant to rebut the submissions advanced on behalf of the complainant as well as the State, nothing substantial has been pointed out with regard to the allegations concerning the existence of two materially different versions of the Purchase Order. The only submission advanced on behalf of the applicant is that the Purchase Order placed on record by him is genuine and that even a copy of the same was also received by the complainant employee whose signatures are also appended on this Purchase Order.



19. Learned counsel for the complainant, however, controverts the said submission and submits that no employee of the complainant company ever received the said document and that the document relied upon by the applicant is forged and fabricated. He further submits that the applicant never disclosed to the complainant that substantial payments had already been received from BESCO prior to execution of the MoU and that even as per the reply received from BESCO, there are no outstanding dues payable by BESCO and no payment was ever released to any Escrow Account.

20. Though the learned counsel for the applicant has brought to the notice of the Court a letter addressed by EEE to BESCO regarding opening of an Escrow Account. However, the material placed before this Court indicates that BESCO had directed the applicant to complete the requisite formalities and bring the change in account details before the competent accounts division. *Prima facie*, the same does not appear to have been done and, therefore, there was no occasion for BESCO to release any payment into the proposed Escrow Account.

21. Though, at the stage of consideration of anticipatory bail, this Court is not required to conclusively determine whether the Purchase Order relied upon by either side is genuine or not. However, this Court cannot lose sight of the fact that the MoU executed between the parties specifically provides for Delhi jurisdiction, whereas the Purchase Order relied upon by the applicant contains a jurisdiction clause conferring jurisdiction upon Courts at Bengaluru. This aspect, coupled with the serious dispute regarding the authenticity of the Purchase Order can't be overlooked by the Court.

22. Moreover, as per the reply received from BESCO, no payment was ever released to any Escrow Account, no invoices of EEE are presently



pending consideration and no outstanding amount remains payable by BESCO. *Prima facie*, these facts do not support the stand taken by the applicant before this Court.

23. In view of the aforesaid discussion and considering the nature and gravity of the allegations, this Court is not inclined to enlarge the applicant on anticipatory bail at this stage.

24. Accordingly, the present application is dismissed. Pending applications, if any, are also disposed of.

25. The order be uploaded forthwith on the website.

**MADHU JAIN, J.**  
**(VACATION JUDGE)**

**JUNE 9, 2026/b/P**