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

Date of Decision: 3rd November 2025

\+ CRL.M.C. 103/2025, CRL. M.A. 560/2025

SATYA PRAKASH BAGLA .....Petitioner

Through: Mr. Sudhir Nandrajog, Mr. Anil Soni, Senior Advocates with Mr. Sanjay Abbott, Mr. Arshdeep Khurana, Ms. Dikksha Ramnani, Mr. Apoorv Agarwal, Mr. Pritish Sabharwal, Mr. Manav Goyal and Ms. Ritika Gusain, Advocates.

versus

STATE & ORS. .....Respondents

Through: Mr. Amol Sinha, ASC (Crl.) for State with Mr. Kshitiz Garg, Mr. Ashvini Kumar, Ms. Chavi Lazarus and Mr. Nitish Dhawan, Advocates.
SI Devender, P.S. EOW.
Mr. Rajiv Nayyar, Sr. Advocate with Ms. Devika Mohan and Ms. Sunanda Choudhury, Advocates for R-2 & 3.
Mr. Anurag Alhuwalia, Senior Advocate, Mr. Annirudh Sharma, Advocate for Respondent No. 3

HON'BLE MR. JUSTICE ANUP JAIRAM BHAMBHANI

J U D G M E N T

CRL.M.C. 103/2025

This court would begin with the hope that this judgment does not feed into the view of Fred Rodell, a well-known American professor of law, who famously said :

"*There are two things wrong with almost all legal writing. One is its style. The other is its content.*[1]

2. A simple reference made by a Successor Bench for clarification of a phrase contained in an order passed by this Bench on 10.01.2025 has thrown-up an interesting question as to the meaning and interpretation of the phrase "coercive measures" as used in that order. The present judgment addresses that question

3. To give a very brief background, the petitioner is under investigation in case FIR No. 0089/2024 dated 11.07.2024 registered at P.S.: Economic Offences Wing, Delhi for offences alleged to have been committed by him under sections 406 and 420 of the Indian Penal Code, 1860.

4. By way of the present petition filed section 528 of the Bharatiya Nagarik Suraksha Sanhita 2023 ('BNSS'), the petitioner has sought quashing of the subject FIR.

5. *Vidé* order dated 10.01.2025, while issuing notice on the present petition, and in view of the submissions made by learned counsel for the parties on that date, this court had recorded the following in paras 7 to 10 of that order :

> "*7. Learned APP submits, that as of now, the petitioner is joining investigation as and when called, and the Investigating Officer does not require his custodial interrogation.*
>
> "*8. On the other hand, Mr. Sidharth Luthra, learned senior counsel appearing on behalf of respondents Nos. 2 & 3 submits, that despite the fact that parties have engaged in certain commercial transactions, there is criminality attached to the actions of the petitioner; and that therefore, it is their contention that cognisable*

[1] Fred Rodell, *Goodbye to Law Reviews*, 23 Virginia Law Review 38 (1936)

offences are disclosed and the subject FIR has been validly registered.

"*9. Upon being queried, learned APP submits, that if and when the I.O. requires to adopt any* ***coercive measures*** *against the petitioner, he would move an appropriate application before this court prior to taking any such action.*

"*10. The statement is taken on record.*"

(emphasis supplied)

6. Subsequently, the Investigating Officer (I.O.) of the case took certain steps in the course of the investigation, one of which was to freeze certain bank accounts belonging to the petitioner and to companies with which the petitioner is connected, by issuing notice to the concerned banks under section 106 of the BNSS.

7. Aggrieved by the freezing of bank accounts, the petitioner moved an application bearing CRL.M.A. No. 27925/2025 seeking "un-freezing" of those accounts, claiming that those accounts have been frozen by the I.O. in contravention of what was recorded in order dated 10.01.2025.

8. The petitioner's essential contention is that in view of the direction contained in para 9 of order dated 10.01.2025, the I.O. could not have frozen the bank accounts *without obtaining prior permission* of this court. It is the petitioner's grievance that freezing of the bank accounts amounts to taking coercive measures against the petitioner, since it has resulted in the petitioner's business being brought to a standstill.

9. The matter subsequently came to be listed before the Successor Bench, before whom the petitioner contended that order dated 10.01.2025 contained a categorical direction to the I.O. to take prior permission of the court before taking any 'coercive measures' against the petitioner,

which would include *any and all* such coercive steps, such as freezing of bank accounts.

10. On the other hand, the State contended before the learned Successor Bench that the direction restraining coercive measures in order dated 10.01.2025 was intended only to protect the petitioner from being arrested, without prior permission of the court; and it was not the intent of that direction to restrain the I.O. from investigating the matter.

11. It is in this backdrop that *vidé* order dated 22.09.2025, the Successor Bench has referred the matter to this Bench for the petitioner to obtain requisite clarification as to the 'intent' behind the phrase 'coercive measures' used in para 9 of order dated 10.01.2025.

12. On this issue, the court has heard, Mr. Sudhir Nandrajog learned senior counsel and Mr. Arshdeep Khurana, learned counsel appearing for the petitioner; and Mr. Kshitiz Garg, learned counsel for the State (respondent No.1) as well as Mr. Rajiv Nayyar and Mr. Anurag Ahluwalia, learned senior counsel who have argued on behalf of the complainants (respondents Nos. 2 and 3).

PETITIONER'S SUBMISSIONS

13. In support of the petitioner's contention that freezing of bank accounts amounts to taking coercive measures against the petitioner, learned senior counsel for the petitioner has placed reliance on orders dated 18.08.2023, 01.10.2024 and 29.11.2024 passed by the Supreme Court in SLP (Crl.) No. 9859/2023 titled ***Satish Kumar Ravi vs. The State of Jharkhand & Anr.***, to argue that in the said orders, the Supreme Court has clearly indicated that where there is an order restraining 'coercive action' against an accused, the filing of a chargesheet against such

person is not permissible. The relevant portions of the Supreme Court orders read as follows :

Order dated 18.08.2023

> "*In the meanwhile,* ***no further action shall be taken against the petitioner*** *in connection with First Information Report(FIR)/Case No. 235 of 2014 dated 19.09.2014 registered at Police Station – Lower Bazar, District – Ranchi, Jharkhand corresponding to G.R. No.5347 of 2014, pending in the Court of Judicial Magistrate, Ranchi.*"

Order dated 01.10.2024

> "*3. On 30th September, 2023, a charge-sheet was filed against the petitioner which was signed by Shri Dayanand Kumar, Station House Officer and Shri Tarkeshwar Prasad Kesari, Investigating Officer. Shockingly, the charge-sheet refers to the interim order passed by this Court. An officer of the level of the Deputy Superintendent of Police has filed the counter affidavit claiming that the chargesheet has been filed on 30th September, 2023.* ***Filing of the charge-sheet and justifying the filing of the charge-sheet is prima facie, a wilful breach of the interim order dated 18th August, 2023 passed by this Court****. The matter does not rest here.*
>
> "*4. On 4th April 2017, an interim order was passed by the High Court of Jharkhand in Cr.M.P. No.325/2017 in which the impugned order has been passed. By the said interim order,* ***the High Court directed the State not take coercive steps against the petitioner in connection with the FIR subject matter of this Special Leave Petition****. That order continued to operate till the date of passing of the impugned order i.e., 19th May, 2023. The counter affidavit filed by the Deputy Superintendent of Police records that two notices/advertisements against the petitioner were published in the daily newspapers on 28th April, 2023 and 11th July, 2023 respectively. This action was taken pursuant to an order dated 10th*

April, 2023 of the Trial Court. Even this act is prima facie contemptuous. We may add here that the husband of the complainant was an IPS officer at the relevant time."

Order dated 29.11.2024

"*They have relied upon a letter dated 15th April, 2011 addressed by the Additional Director General of Police, Jharkhand to all Police Officers in the State. It is stated in the letter that even if court passes an order that no coercive action shall be taken as against the particular accused, there is no prohibition on filing charge-sheet against the accused.* ***If a charge sheet is filed by relying upon clause 3 of letter dated 15th April, 2011 against an accused in whose favour there is an order directing not to take coercive action, the concerned officer will expose himself to contempt jurisdiction***.

"*Therefore, what is stated in paragraph 3 of letter dated 15th April, 2011 is completely illegal. We direct the learned counsel appearing for the State to invite attention of the Additional Director General of Police to observations of this court. We expect him to immediately modify the letter dated 15th April, 2011.*"

(emphasis supplied)

14. Placing reliance on the aforesaid orders of the Supreme Court, Mr. Nandrajog submits, that even the filing of chargesheet has been *held* by the Supreme Court as taking coercive action; and that therefore, the action of the I.O. of having frozen the bank accounts of the petitioner as well as of the companies with which the petitioner is related, was clearly a coercive measure, which could not have been taken without prior permission of this court, in view of para 9 of order dated 10.01.2025 passed by this Bench.

15. In support of his submission, Mr. Nandrajog argues that freezing of a bank account amounts to 'attachment' of property under section 107 of the BNSS; and that section 107 contemplates issuance of a notice by the Magistrate to a person whose property is being sought to be attached, calling-upon the person to show-cause within 14 days as to why an attachment order should not be made. It is pointed-out that thereupon, a reasonable opportunity of hearing is also required to be granted to such person by the court. It is argued that this shows that attachment of property is a coercive measure, which is why the Legislature has stipulated the requirement of a show-cause notice and an opportunity of hearing, before such measure is adopted against a person. Learned senior counsel submits that 'attachment' under section 107 of the BNSS is distinct from 'seizure' of property within the meaning of section 106 of the BNSS.

16. It is further the petitioner's submission, that the phrase "coercive measures" cannot be given a narrow interpretation to mean *only* arrest; and that the phrase encompasses any action of a coercive nature that materially prejudices the rights or liberties of a person, which would include the freezing of a bank account belonging to the person.

RESPONDENTS' SUBMISSIONS

17. On the other hand, learned counsel appearing for the State as well as learned senior counsel appearing for respondents Nos. 2 and 3 have argued that the submission/statement recorded in para 9 of order dated 10.01.2025 was in the context of the petitioner's apprehension that he may be arrested, which context is reflected in para 7 of that order; and accordingly, the only intent and purpose of para 9 of order dated

10.01.2025 was that if at a subsequent stage the I.O. would want to arrest the petitioner, he would be required to take prior permission of this court.

18. Learned senior counsel appearing on behalf of respondents Nos. 2 and 3 further submit, that it is pertinent to note that this court had not even issued notice on CRL. M.A. No. 560/2025, by which application the petitioner has sought stay of further investigation in the subject FIR; and that therefore, the question of this court having used the phrase "coercive measures" in order dated 10.01.2025 with the intention of restraining the I.O. from taking any action in furtherance of investigation does not arise. It is accordingly argued, that the phrase "coercive measures" appearing in para 9 of order dated 10.01.2025, could not possibly have had any reference to the on-going investigation in the case, but was used only with reference to the personal liberty of the petitioner.

19. It is further submitted that, when read in the context of the submission made by the learned APP at the hearing before this court on 10.01.2025, as recorded in para 7 of that order, it is clear that the phrase "coercive measures" must be construed in the context of what the learned APP had said, namely, that since the petitioner was joining investigation as of that time, the I.O. did not require the petitioner's custodial interrogation; and that, if and when, the I.O. required the petitioner's custody *i.e.,* if and when the I.O. needed to adopt any coercive measures, he would move an appropriate application before this court prior to taking such action.

20. It is argued that this court had consciously *not* stayed the ongoing investigation against the petitioner or his companies, which is evident from the wording of para 7 itself, where it is expressly recorded that since *" ..... as of now, the petitioner is joining investigation as and when called ....."* the I.O. did not require the petitioner's custody.

21. It is further submitted, that freezing of the bank accounts in question was part of the ongoing investigation, and the I.O. was well within his power under section 106 of the BNSS to issue a notice to the concerned banks for freezing those accounts.

22. To support his submission that a 'no coercive measures' order is not to be construed as an order directing stay of investigation and that courts must be loathe to staying investigation, learned senior counsel appearing for the complainant has placed reliance upon the decision of a 3-Judge Bench of the Supreme Court in ***Neeharika Infrastructure (P) Ltd. vs. State of Maharashtra***,[2] in which decision, after a detailed discussion on the scope of the High Court's power to quash investigation or to pass interim orders staying investigation, the Supreme Court has *inter-alia* set-out the following conclusions :

> "***33.1.*** *Police has the statutory right and duty under the relevant provisions of the Code of Criminal Procedure contained in Chapter XIV of the Code to investigate into a cognizable offence.*
>
> *"**33.2.** Courts would not thwart any investigation into the cognizable offences.*
>
> *"**33.3.** It is only in cases where no cognizable offence or offence of any kind is disclosed in the first information*

[2] (2021) 19 SCC 401

report that the Court will not permit an investigation to go on.

*"**33.4.** The power of quashing should be exercised sparingly with circumspection, as it has been observed, in the "rarest of rare cases" (not to be confused with the formation in the context of death penalty).*

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*"**33.8.** Ordinarily, the courts are barred from usurping the jurisdiction of the police, since the two organs of the State operate in two specific spheres of activities and one ought not to tread over the other sphere.*

* * * * *

*"**33.10.** Save in exceptional cases where non-interference would result in miscarriage of justice, the Court and the judicial process should not interfere at the stage of investigation of offences.*

* * * * *

*"**33.16.** The aforesaid parameters would be applicable and/or the aforesaid aspects are required to be considered by the High Court while passing an interim order in a quashing petition in exercise of powers under Section 482 CrPC and/or under Article 226 of the Constitution of India. However, an interim order of stay of investigation during the pendency of the quashing petition can be passed with circumspection. Such an interim order should not require to be passed routinely, casually and/or mechanically. **Normally, when the investigation is in progress and the facts are hazy and the entire evidence/material is not before the High Court, the High Court should restrain itself from passing the interim order of not to arrest or "no coercive steps to be adopted" and the accused should be relegated to apply for anticipatory bail under Section 438 CrPC before the competent court**. The High Court shall not and as such is not justified in passing the order of not to arrest and/or "no coercive steps" either during the investigation or till the investigation is completed and/or till the final report/charge-sheet is filed under Section*

173 CrPC, while dismissing/disposing of the quashing petition under Section 482 CrPC and/or under Article 226 of the Constitution of India.

* * * * *

"***33.18. Whenever an interim order is passed by the High Court of "no coercive steps to be adopted" within the aforesaid parameters, the High Court must clarify what does it mean by "no coercive steps to be adopted" as the term "no coercive steps to be adopted" can be said to be too vague and/or broad which can be misunderstood and/or misapplied***."

(emphasis supplied)

23. It is pointed-out that the power to arrest and other related measures are covered under Chapter V of the BNSS; whereas the powers of search, seizure, and investigation fall within completely separate chapters *i.e.,* Chapters VII and XIII of the BNSS. In this context, learned senior counsel appearing for respondents Nos. 2 and 3 submit, that the "no coercive measures" direction contained in order dated 10.01.2025 was in fact based on a concession offered on behalf of the I.O., as recorded in para 9 of that order, which did not amount to the I.O. ceding all his powers of search, seizure, and investigation under Chapters VII and XIII of the BNSS.

24. It is emphasized that from a reading of the relevant paras of *Neeharika Infrastructure*, it is also clear that the Supreme Court has held that *if* while passing a 'no coercive steps' order, the High Court intends that investigation be stayed, it must specifically say so and must also assign reasons. The Supreme Court has further clarified that courts are not to thwart investigation into cognizable offences, which is the exclusive domain of the police; and that an order staying investigation must

necessarily assign reasons, failing which, such an order would not be sustainable in law. Attention in this behalf is drawn to the following paras of *Neeharika Infrastructure* :

> "***20.*** *We have come across many orders passed by the High Courts passing interim orders of stay of arrest and/or "no coercive steps to be taken against the accused" in the quashing proceedings under Section 482 CrPC and/or Article 226 of the Constitution of India without assigning any reasons. We have also come across number of orders passed by the High Courts, while dismissing the quashing petitions, of not to arrest the accused during the investigation or till the charge-sheet/final report under Section 173 CrPC is filed. As observed hereinabove, it is the statutory right and even the duty of the police to investigate into the cognizable offence and collect the evidence during the course of investigation. There may be requirement of a custodial investigation for which the accused is required to be in police custody (popularly known as remand). Therefore,* ***passing such type of blanket interim orders without assigning reasons, of not to arrest and/or "no coercive steps" would hamper the investigation and may affect the statutory right/duty of the police to investigate the cognizable offence conferred under the provisions of the CrPC****. Therefore, such a blanket order is not justified at all. The order of the High Court must disclose reasons why it has passed an ad interim direction during the pendency of the proceedings under Section 482 CrPC. Such reasons, however brief must disclose an application of mind.*
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> * * * * *
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> "***29.4.*** *That it is not clear what the High Court meant by passing the order [P. Suresh Kumar v. State of Maharashtra, 2020 SCC OnLine Bom 1711] of "not to adopt any coercive steps", as it is clear from the impugned interim order that it was brought to the notice of the High Court that so far as the accused are concerned, they are already protected by the interim protection granted by the learned Sessions Court, and therefore there was no further reason and/or justification for the High Court to pass such an interim order of "no coercive steps to be adopted".* ***If the High Court meant by***

> ***passing such an interim order of "no coercive steps" directing the investigating agency/police not to further investigate, in that case, such a blanket order without assigning any reasons whatsoever and without even permitting the investigating agency to further investigate into the allegations of the cognizable offence is otherwise unsustainable****. It has affected the right of the investigating agency to investigate into the cognizable offences. While passing such a blanket order, the High Court has not indicated any reasons.*"
>
> (emphasis supplied)

25. Learned senior counsel appearing for respondent Nos. 2 and 3 also submit, that as will be seen from a perusal of the status report filed by the I.O., between the time that order dated 10.01.2025 was passed and now, the I.O. has taken several other steps and actions in aid of investigation; and at no stage did the petitioner object to those steps as being 'coercive measures'. It is submitted that this shows that even the petitioner did not consider the steps taken by the I.O. in investigation as being coercive measures, as he is now seeking to baselessly contend.

26. It is accordingly argued on behalf of the State and the complainants, that *firstly*, the direction passed *vide* order dated 10.01.2025 was only in the context of the petitioner's apprehension that he would be arrested, as narrated in para 7 of that order as pointed-out above; and that *secondly*, the freezing of bank accounts is part of the usual and routine process of investigation by an I.O., and evidently, this court had not stayed the ongoing investigation against the petitioner in the present case.

27. Though multiple judgments have been cited on behalf of respondents Nos. 2 and 3 in support of the aforesaid submissions, it is not

considered necessary to cite those judgments individually, especially considering the limited remit of the present proceedings.

28. Most importantly, it has been emphasised on behalf of respondents Nos. 2 and 3 that the freezing of the bank accounts has been done in exercise of the powers vested in the I.O. under section 106 of the BNSS - and not under section 107 of the BNSS - which empowers any police officer to 'seize' property which may be alleged or suspected to have been concerned with the commission of any offence; and the I.O. has not exercised his powers under section 107 of the BNSS, which relate to 'attachment' of property involved in a crime.

29. Insofar as the orders of the Supreme Court in *Satish Kumar Ravi* cited on behalf of the petitioner are concerned, learned senior counsel for the respondents have explained that on a combined reading of those orders, it will be seen that in the said case, by its order dated 18.08.2023, the Supreme Court had restrained *all further action* against the accused in connection with the FIR; and by way of a prior interim order, the Jharkhand High Court had also directed the State *not to take any coercive steps* against the accused; despite which however, charge-sheet was filed. It is accordingly argued that the observations of the Supreme Court were made in the backdrop of its order dated 18.08.2023, directing no further action against the accused, and not merely in the context of the direction of the Jharkhand High Court prohibiting coercive steps against the accused.

30. It is argued that by order dated 10.01.2025, this court had not imposed upon the I.O. any express or implied restraint in continuing with investigation; and therefore, by no stretch of reasoning, can it be said

that the phrase "coercive measures" referred-to in para 9 was meant to be a restraint on the freezing of the petitioner's or his company's bank accounts.

DISCUSSION & CONCLUSIONS

31. Upon a careful perusal of order dated 10.01.2025 passed by this court, and after considering the submissions made on behalf of the parties, in order to put to rest any confusion arising from the phrase "coercive measures" used by this Bench in that order, this court would observe as follows :

31.1. No authoritative judicial precedent giving any *specific connotation or meaning* to the phrases 'coercive measures' or 'coercive steps' has been brought to the notice of this court in the present proceedings. If anything, in *Neeharika Infrastructure* the Supreme Court has observed that where a High Court uses the phrase *"no coercive steps to be adopted" …… the High Court must clarify what does it mean by "no coercive steps to be adopted" as the term "no coercive steps to be adopted" can be said to be too vague and/or broad which can be misunderstood and/or misapplied".*

31.2. In the considered view of this court, the expressions 'coercive measures' and 'coercive steps' derive their meaning, import and significance from the *context* and the *nature* of the proceedings in which they are used. To ascertain the court's intention in employing these expressions in a given order, it is necessary to examine the nature of the relief or protection that was sought *and* what the court intended to grant to a party at the relevant stage of

the proceedings. It would, therefore, be neither appropriate nor judicious for a court to attribute to these expressions any fixed, inflexible, or predetermined meaning. To give an illustration, this phrase is commonly used when a court grants interim relief to a person seeking anticipatory bail; in which case, the phrase is used *only* in relation to the personal liberty of a person and nothing more.

31.3. It can, however, be stated with certainty that the mere articulation of the phrases 'no coercive measures' or 'no coercive steps' with reference to a person *cannot to be construed* as necessarily implying a stay or suspension of any ongoing investigation against that person.

32. Insofar as the use of the phrase "coercive measures" in order dated 10.01.2025 is concerned, this court clarifies that the said phrase was used in the context of what the learned APP had submitted before the court at that stage - *viz.,* that since the *petitioner was joining investigation as and when called*, the I.O. did not require the petitioner's custodial interrogation - which statement was taken on record. Reference made by the learned APP to the *petitioner joining investigation*, was clearly in relation to the *ongoing investigation*; and it cannot be said that the I.O. intended to suspend investigation or was inviting an order from this court staying investigation.

33. Order dated 10.01.2025 does not contain any reference to this court interfering with the ongoing investigation against the petitioner; or constraining the investigative powers vested in the I.O. under the

BNSS, such as the power to seize or attach property, which are integral to investigation.

34. It was in this backdrop that in para 9 of order dated 10.01.2025, this court recorded, that *if subsequently*, the I.O. requires to adopt any "coercive measures" against the petitioner, he would move an appropriate application before this court prior to taking any such action.

35. Insofar as the reference made on behalf of the petitioner to orders dated 18.08.2023, 01.10.2024 and 29.11.2024 passed by the Supreme Court in *Satish Kumar Ravi* is concerned, in the opinion of this court, those orders were passed in the specific backdrop and context of the proceedings in that matter. It bears attention that *vide* order dated 18.08.2023, the Supreme Court had restrained *all further action* against the petitioner in that case, but despite such order, a chargesheet was filed based on the instructions contained in a letter dated 15th April, 2011 issued by the Additional Director General of Police of the State.

36. However, that is not the case in the present matter; and the meaning and intent of the phrase "coercive measures" was *not* to restrain further investigation against the petitioner. The phrase "coercive measures" was used in order dated 10.01.2025 with reference *only* to the custodial interrogation of the petitioner, and was therefore used in the context *only* of the petitioner's personal liberty.

37. It is pertinent to note, that in the present case, para 9 of order dated 10.01.2025 was not a 'direction' of the court but was based on the concession offered by the learned APP, that if and when the I.O. needs to adopt any coercive measures against the petitioner, he would move an appropriate application before this court, prior to taking such action.

38. Having held that the phrase "coercive measures" did not apply to freezing of bank accounts, it may further be observed that if it is the petitioner's contention that freezing of bank accounts can only be done in exercise of the powers of 'attachment' contained in section 107 of the BNSS and not in exercise of the powers of a Police Officer to 'seize' property under section 106 of the BNSS, that contention would be a matter to be pursued by the petitioner before the concerned court.
39. Order dated 10.01.2025 is clarified in the above manner.
40. Re-notify before the Roster Bench on 6th November 2025.

CRL.M.A. 27925/2025 (for un-freezing of bank accounts)

41. Re-notify before the Roster Bench on 6th November 2025.

ANUP JAIRAM BHAMBHANI, J

NOVEMBER 03, 2025
ds/V.Rawat