



ITEM NOS.12 + 13

COURT NO.1

SECTION II-C

S U P R E M E C O U R T O F I N D I A  
RECORD OF PROCEEDINGS

Petition for Special Leave to Appeal (Crl.) No. 16980/2025

[Arising out of impugned judgment and order dated 18-07-2025 in MCRC No. 3392/2025 passed by the High Court of Chhattisgarh at Bilaspur]

KAWASI LAKHMA

Petitioner(s)

VERSUS

STATE OF CHHATTISGARH

Respondent(s)

(IA No. 268347/2025 - EXEMPTION FROM FILING O.T., IA No. 296509/2025 - EXEMPTION FROM FILING O.T., IA No. 295604/2025 - EXEMPTION FROM FILING O.T., IA No. 278135/2025 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES, IA No. 268346/2025 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES and IA No. 295603/2025 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ ANNEXURES)

WITH

ITEM NO. 13

Petition(s) for Special Leave to Appeal (Crl.) No(s).  
16443/2025

Date : 03-02-2026 These matters were called on for hearing today.

CORAM : HON'BLE THE CHIEF JUSTICE  
HON'BLE MR. JUSTICE JOYMALYA BAGCHI  
HON'BLE MR. JUSTICE VIPUL M. PANCHOLI

For Petitioner(s) : Mr. Mukul Rohatgi, Sr. Adv.  
Mr. Siddhartha Dave, Sr. Adv.  
Mr. Anshul Rai, Adv.  
Mr. Harshwardhan Parganiha, Adv.  
Mr. Mayank Jain, Adv.  
Mr. S.k. Pandey, Adv.  
Mr. Chandrashekhar A. Chakalabbi, Adv.  
Mr. Ojaswa Pathak, Adv.  
Ms. Mallika Ranjan, Adv.  
Mr. Madhur Jain, Adv.  
Mr. Arpit Goel, Adv.

Mr. Deepak Jain, Adv.  
Mr. Raunaq Singh, Adv.  
Mr. Harshit Sharma, Adv.  
Ms. Manubha Shankar, Adv.  
M/s Dharmaprabhas Law Associates, AOR

Mr. Aman Prasad, Adv.  
M/s Dharmaprabhas Law Associates, AOR

For Respondent(s) : Mr. Mahesh Jethmalani, Sr. Adv.  
Mr. Vivek Sharma, AG  
Mr. Ravi Sharma, DAG  
Ms. Madhulika Rai Sharma, Adv.  
Mr. Apoorv Shukla, AOR  
Ms. Prabhleena Shukla, Adv.  
Mr. Praphull Kumar, Adv.

Mr. Suryaprakash V. Raju, A.S.G.  
Mr. Zoheb Hussain, Adv.  
Mr. Akshay Amritanshu, Adv.  
Ms. Rajeshwari Shankar, Adv.  
Mr. Animesh Upadhyay, Adv.  
Mr. Arvind Kumar Sharma, AOR  
Ms. Anushka Gupta, Adv.  
Ms. Aakriti Mishra, Adv.  
Ms. Tuhina Mishra, Adv.  
Mr. Shyam Bhageria, Adv.  
Ms. Divya S.rao, Adv.

UPON hearing the counsel the Court made the following

#### O R D E R

##### SLP (Criminal) No. 16980/2025

1. The petitioner herein was the Excise Minister in the State of Chhattisgarh from 2019-2025. FIR No.04/2024 came to be registered by the Anti-Corruption Bureau (ACB) of the State under Sections 420, 467, 468, 471, 120-B of the Indian Penal Code, 1860 (IPC), read with Sections 7 and 12 of the Prevention of Corruption Act, 1988 (PC Act). The Petitioner was arrested on 02.04.2025, *inter alia*, on the basis of the allegations that he was paid Rs.2 crores per month out of the sale proceeds of illegally manufactured liquor by the

Syndicate. He is alleged to have played an important role in framing a tailor-made policy that facilitated the alleged illegal operations of the Syndicate. The posting of desired excise officers at designated locations has also been attributed to the petitioner. The petitioner unsuccessfully applied for bail before the trial court and the High Court, hence this Special Leave Petition.

SLP (Criminal) No. 16443/2025

2. The petitioner seeks enlargement on bail in ECIR No. RPZO/04/2024 registered on 11.04.2024 by the Directorate of Enforcement (ED) under Sections 120-B, 420, 467 and 471 of the IPC read with Sections 7 and 12 of the PC Act, in which he was arrested on 15.01.2025. The allegations which led to the initiation of proceedings by the ED are also broadly the same as have been made against the petitioner in the case registered by the ACB, namely, the State Police.

3. We have heard learned senior counsel on behalf of the petitioner, as well as Mr. Suryaprakash V. Raju, learned Additional Solicitor General for India on behalf of ED, and Mr. Mahesh Jethmalani, learned senior counsel representing the State of Chhattisgarh.

4. What emerges is that in the case registered by the EOW/ACB, seven chargesheets/prosecution complaints have already been filed against 37 accused persons, including the petitioner. These chargesheets/prosecution complaints include

Chargesheet No.03(C)/2025 dated 27.06.2025 filed against the petitioner. He has also been subjected to custodial interrogation intermittently. It is also alleged that evidence and documents have been collected and sent for forensic or other laboratories for seeking expert opinion to further substantiate the allegations of embezzling illicit money or indulging in corruption by the petitioner.

5. It may, thus, be seen that the petitioner has been in custody since 15.01.2025 (ED case) and 02.04.2025 (EOW/ACB case). There are in all 52 accused, out of whom 22 are arrested, and 19 have so far been released on bail.

6. Having regard to the multitude of allegations, a scam which allegedly engulfed the entire State and even other parts of the country, and the multiple cases against several accused persons, in total, the prosecution has proposed to examine tentatively 864 witnesses in the EOW case.

7. In the additional affidavit filed by the State of Chhattisgarh, it is averred that the investigation against the petitioner or some of the other accused persons remains pending, and some more supplementary chargesheets/prosecution complaints are likely to be filed depending upon the outcome of the ongoing investigation. Meanwhile, statements of multiple witnesses have been recorded under Sections 161 and 164 Cr.P.C. Therefore, their depositions in Court obviously will take time as such a stage will arise after the Court

takes cognizance in all the matters.

8. It seems to us that the investigation itself is likely to take a reasonably long time to reach a logical conclusion. Any direction by us to conclude the investigation in matters having such complex and complicated questions involving several persons can have a cascading and adverse impact on the prosecution case. Furthermore, in such matters, the prosecution, especially when different specialised agencies are investigating their respective matters which fall under their domain, ought to be given free hand along with reasonable time for completion of the ongoing investigation.

9. On the one hand, thus, it is the right of the prosecution to have an uninterrupted right to proceed with the ongoing investigation and on the other hand, it is the right of the petitioner to plead liberty, who has urged that he has already spent more than a year in custody. The petitioner is ready and willing to continue to cooperate with the ongoing investigation, and has pleaded that indefinite incarceration may lead to infringement of his right enshrined under Article 21 of the Constitution.

10. Balancing the competitive claims asserted by both sides, we issue the following interim directions at this stage, subject to their modification, if so required, in future:

(i) The petitioner is directed to be released on interim bail in both cases, FIR No.04/2024 and ECIR No. RPZO/04/2024,

registered by EOW/ACB and the ED, respectively.

(ii) He shall be required to furnish bail bonds to the satisfaction of the learned Special Judge.

(iii) In addition to the conditions that may be imposed by the learned Special Judge, it is directed that the petitioner shall not enter the State of Chhattisgarh, except for attending the Courts, whenever required. He is permitted to reach a day before the date of the hearing in the Court.

(iv) The petitioner shall not seek and shall not be granted any exemption from personal appearance by the Courts, save and except, on health grounds.

(v) The petitioner shall not travel abroad, and his passport shall stand deposited in the Court of the learned Special Judge.

(vi) The petitioner shall disclose the place of his stay along with the contact number and the jurisdictional police station, as well as any authorised officer of the ED shall be entitled to contact and find out about his whereabouts. The petitioner shall furnish his mobile number to the police and the ED authorities, and such number shall not be changed without prior permission of the Special Judge.

(vii) As regards the petitioner's participation in the Legislative Assembly during the period when the investigation is going on and/or if during the period when

chargesheets/prosecution complaints have been filed and/or the Court takes cognizance against him, an appropriate decision shall be taken by the learned Speaker of the State Assembly. We do not express any opinion in relation thereto.

(viii) The petitioner, while entitled to participate in public events/functions, shall refrain from making any statement with respect to the allegations which are either subject matter of chargesheets/prosecution complaints under consideration before the Court or which are under investigation. This, however, will not cause any impediment for the petitioner or his counsel to assail such allegations/charges before any judicial forum.

(ix) The petitioner shall not make any direct or indirect attempt either to contact or influence the witnesses or tamper with the other evidence in any manner.

(x) Infringement or breach of any of the conditions imposed above or those to be imposed by the Special Judge shall be construed as a misuse of the concession of bail, warranting necessary consequences.

(xi) It is made clear that the grant of interim bail does not amount to an expression or opinion either on the merits of the case or on the entitlement of the petitioner to seek regular bail. This interim arrangement has been made keeping in view the peculiar facts, circumstances and conditions of this case.

11. The Special Leave Petitions stand disposed of, in the above terms.

12. Pending application(s), if any, shall stand closed.

(NITIN TALREJA)  
ASTT. REGISTRAR-cum-PS

(PREETHI T.C.)  
ASSISTANT REGISTRAR