



2026:CGHC:2095
NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

ORDER RESERVED ON 19.12.2025
ORDER DELIVERED ON 13.01.2026
ORDER UPLOADED ON 13.01.2026

MCRC No. 8136 of 2025

1 - Anwar Dhebar S/o Late Hazi Zikar Dhebar Aged About 51 Years R/o Dhebar House, Pension Bada, Raipur, Chhattisgarh, (Currently Under Judicial Custody At Central Jail, Raipur C.G.)

... Applicant(s)

versus

1 - State Of Chhattisgarh Through The Investigating Officer, Economic Offence Wing/anti-Corruption Bureau Chhattisgarh, Head Quarter At Telibandha, In Front Of Jai Jawan Petrol Pump, Raipur, Chhattisgarh-492001.

... Respondent(s)

For applicant(s)	:	Shri Vikas Pahwa, Sr. Advocate through VC assisted by Shri Harshwardhan Parganiha, Shri Mayank Jain, Shri Madhur Jain, Shri Arpit Goel, Shri Deepak Jain, Shri Harshit Sharma and Ms. Manubha Shankar, Advocates
For Respondent/State	:	Dr. Saurabh Pande, Dy.AG

(HON'BLE SHRI JUSTICE ARVIND KUMAR VERMA)**C A V Order**

The present application has been preferred by the Applicant seeking grant of regular bail under Section 483 of the *Bharatiya Nagarik Suraksha Sanhita, 2023*, in connection with FIR No. 01 of 2024 dated 16.01.2024 registered by the Economic Offences Wing / Anti-Corruption Bureau, Chhattisgarh, for the offences punishable under Sections 384, 409 and 120-B of the Indian Penal Code, 1860 and Sections 11, 13(1) (a) read with Section 13(2) of the Prevention of Corruption Act, 1988.

BRIEF FACTUAL CONTEXT :

2. As per the prosecution narrative:

- a. It is alleged that the Applicant exercised considerable influence in the erstwhile Government of the State of Chhattisgarh and was involved in the functioning of various Government departments.
- b. Reliance is placed on certain WhatsApp chats retrieved from digital devices seized in connection with another alleged liquor scam, suggesting that the Applicant was in communication with co-accused Anil Tuteja, allegedly discussing policy formulation, tender processes and postings of officers.
- c. It is further alleged that the Applicant conspired with co-accused Roshan Chandrakar and Anil Tuteja to illegally extract levies from special incentives granted for custom milling of rice, and that one Siddharth Singhania was engaged to facilitate the alleged scheme.

d. The prosecution claims that the alleged syndicate generated approximately Rs. 20–22 crores, which ultimately reached to co-accused Anil Tuteja through the Applicant and another co-accused.

3. The Applicant was not named in the FIR and no role was attributed to him at the time of its registration. He was arrested on 09.07.2025, after a lapse of nearly one year and seven months, without any fresh incriminating material emerging in the intervening period. The Applicant has remained in custody since his arrest and has undergone more than four months of pre-trial incarceration. Investigation qua the Applicant now stands completed and a first supplementary charge-sheet dated 06.10.2025 has already been filed. No search or seizure was conducted at the premises of the Applicant and no incriminating recovery has been effected from his possession at any stage.

SUBMISSIONS OF THE APPLICANT

4. Learned counsel for the applicant submit that the present application seeks enforcement of the applicant's fundamental right to personal liberty guaranteed under Article 21 of the Constitution of India.

A. Allegations of “Influence” and “Policy Involvement” Do Not Justify Custodial Detention

The allegation that the Applicant exercised “influence” or had communications concerning governmental functioning is, at its highest, descriptive and inferential, not incriminatory.

Mere communication with public officials or co-accused persons, without proof of decision-making authority, statutory role, or execution of

any official act, does not constitute an offence, much less justify pre-trial incarceration.

Significantly, the charge-sheet does not attribute any policy-making authority, statutory power, or formal governmental position to the Applicant. He is not a “public servant” within the meaning of the Prevention of Corruption Act.

5. Learned counsel further submits that the Applicant is not a public servant, and therefore no offence under the Prevention of Corruption Act is made out against him.

It is further submitted that no entrustment has been made to the Applicant, and consequently Section 409 IPC is prima facie inapplicable. Similarly, there is no complaint or material alleging any demand or extortion by the Applicant, rendering Section 384 IPC prima facie not attracted.

6. With respect to the allegation of conspiracy, learned counsel for the applicant submits that there is no cogent material showing any meeting of minds or common design. There is no evidence of any physical manifestation of agreement or common design between the Applicant and other accused so as to constitute an offence under Section 120-B IPC. The mere association or communication, without proof of agreement to commit an illegal act, cannot constitute criminal conspiracy. Reliance is placed on **Ram Sharan Chaturvedi v. State of M.P.**, wherein the Apex Court held that criminal conspiracy cannot be inferred from mere association or communication.

B. WhatsApp Chats and Digital Material Are, at This Stage, Weak Evidentiary Links

7. The prosecution relies on WhatsApp chats allegedly retrieved from devices seized in an entirely separate investigation. These chats are not accompanied by:

any recovery from the Applicant,

any forensic attribution of authorship beyond bare assertion, or

any independent corroboration establishing criminality.

8. It is respectfully submitted that electronic communications, even if taken at face value, do not demonstrate entrustment, demand, acceptance, or misappropriation, which are essential ingredients of the offences alleged. At the stage of bail, it has been consistently held that a meticulous analysis of electronic evidence is impermissible, and untested digital material cannot be elevated to conclusive proof warranting continued detention.

C. Alleged Conspiracy Is Not Supported by Cogent Material

9. The prosecution alleges a criminal conspiracy under Section 120-B IPC. However, there is no material demonstrating any physical manifestation of agreement, concerted action, or meeting of minds attributable to the Applicant. The Applicant is neither shown to have attended any meeting where alleged illegal decisions were taken, nor is there any recovery, document, or financial trail establishing his participation. It is well settled that criminal conspiracy cannot be inferred from mere association or communication, and must be supported by cogent material indicating a common design.

10. Learned counsel submits that the entire evidence relied upon by the prosecution is documentary in nature and already in its possession. There are no ocular witnesses, nor is there any possibility of further recovery from the Applicant. In ***Manoranjana Sinha v. Central Bureau of Investigation***, the Apex Court has held that denial of bail cannot be used as a punitive measure, especially when investigation does not require custodial detention.

D. Allegations of Money Flow Are Unsupported by Recovery or Independent Proof

11. The prosecution asserts that an amount of approximately Rs. 20–22 crores was generated through the alleged activities of the so-called syndicate and that the said amount ultimately reached the co-accused Mr. Anil Tuteja, purportedly through the present Applicant. However, it is of crucial significance that no amount whatsoever has been recovered from the Applicant. No bank account, movable or immovable asset, or property belonging to the Applicant reflects receipt, possession, or enjoyment of any such alleged proceeds. Equally, there exists no independent documentary or financial trail on record which establishes, even prima facie, the alleged flow of funds through the Applicant. The allegation of transmission of funds thus rests substantially, if not entirely, on the statements of co-accused persons or alleged accomplices. It is well settled that such statements, in the absence of independent corroboration, do not constitute substantive evidence in law and cannot,

by themselves, form the basis for sustaining a serious allegation of financial involvement, much less justify prolonged pre-trial incarceration. At this stage, therefore, the prosecution narrative regarding the alleged money trail remains assertive rather than demonstrative, unsupported by recoveries, corroborative documents, or objective financial evidence linking the Applicant to the alleged proceeds. Such uncorroborated assertions are matters to be tested during trial and cannot be accorded determinative weight while adjudicating a prayer for bail.

Arrest Was Not Justified Under Statutory Parameters

12. No summons or notice was ever issued to the Applicant after registration of the FIR. The arrest was effected after a prolonged delay, without demonstrating necessity for custodial interrogation, likelihood of abscondence, risk of tampering with evidence, or threat to witnesses. The remand application dated 09.07.2025 does not record satisfaction of the statutory conditions governing arrest. The Applicant was not interrogated even when he was already in judicial custody in another case, which itself demonstrates lack of investigative necessity.

THERE WAS NO NEED OR NECESSITY TO ARREST THE APPLICANT IN THE INSTANT CASE

13. It is further submitted that the arrest of the Applicant in the present case is wholly unwarranted, illegal, and contrary to the settled principles governing deprivation of personal liberty. At the time when the present FIR came to be registered, the Applicant was already in judicial custody in another case. Despite such availability, the Non-Applicant/Investigating Agency never sought his interrogation

during that period, which itself demonstrates beyond doubt that no custodial interrogation was ever considered necessary for the purposes of investigation in the present case.

14. A bare perusal of the Remand Application dated 09.07.2025 would further reveal that it does not disclose any material, cogent reason, or statutory satisfaction justifying the arrest of the Applicant. There is a complete absence of any averment indicating that the arrest was required to prevent the commission of any further offence, to ensure proper investigation, or to secure the presence of the Applicant before the Court. The remand application thus fails to meet the mandatory legal threshold and reflects a mechanical exercise of power, bereft of due application of mind.

15. The Apex Court, in ***Joginder Kumar v. State of U.P. (1994) 4 SCC 260***, has categorically held that arrest is not to be made as a matter of course, and that the police must justify the necessity of arrest by demonstrating compelling reasons. The Court emphasized that personal liberty cannot be sacrificed on the altar of unfettered police discretion.

“20. In India, Third Report of the National Police Commission at p. 32 also suggested:

"An arrest during the investigation of a cognizable case may be considered justified in one or other of the following circumstances:

(i) The case involves a grave offence like murder, dacoity, robbery, rape etc., and it is necessary to arrest the accused and bring his movements under restraint to infuse confidence among the terrorstricken victims.

(ii) The accused is likely to abscond and evade the processes of law.

(iii) The accused is given to violent behaviour and is likely to commit further offences unless his movements are brought under restraint.

(iv) The accused is a habitual offender and unless kept in custody he is likely to commit similar offences again.

It would be desirable to insist through departmental instructions that a police officer making an arrest should also record in the case diary the reasons for making the arrest, thereby clarifying his conformity to the specified guidelines....."

The above guidelines are merely the incidents of personal liberty guaranteed under the Constitution of India. No arrest can be made because it is lawful for the police officer to do so. The existence of the power to arrest is one thing. The justification for the exercise of it is quite another. The police officer must be able to justify the arrest apart from his power to do so. Arrest and detention in police lock-up of a person can cause incalculable harm to the reputation and self-esteem of a person. No arrest can be made in a routine manner on a mere allegation of commission of an offence made against a person. It would be prudent for a police officer in the interest of protection of the constitutional rights of a citizen and perhaps in his own interest that no arrest should be made without a reasonable satisfaction reached after some investigation as to the genuineness and bonafides of a complaint and a reasonable belief both as to the person's complicity and even so as to the need to effect arrest. Denying a person of his liberty is a serious matter. The recommendations of the Police Commission merely reflect the constitutional concomitants of the fundamental right to personal liberty and freedom. A person is not liable to arrest merely on the suspicion of complicity in an offence.

There must be some reasonable justification in the opinion of the officer effecting the arrest that such arrest is necessary and justified. Except in heinous offences, an arrest must be avoided if a police officer issues notice to person to attend the Station House and not to leave the Station without permission would do. 21. Then, there is the right to 21. Then, there is the right to have someone informed. That right of the arrested person, upon request, to have someone informed and to consult privately with a lawyer was recognised by Section 56(1) of the Police and Criminal Evidence Act, 1984 in England (Civil Actions Against the Police Richard Clayton and Hugh Tomlinson; p. 313). That section provides:

"[W]here a person has been arrested and is being held in custody in a police station or other premises, he shall be entitled, if he so requests, to have one friend or relative or other person who is known to him or who is likely to take an interest in his welfare told, as soon as is practicable except to the extent that delay is permitted by this section, that he has been arrested and is being detained there."

These rights are inherent in Articles 21 and 22(1) of the Constitution and require to be recognised and scrupulously protected. For effective enforcement of these fundamental rights, we issue the following requirements:

1. An arrested person being held in custody is entitled, if he so requests to have one friend, relative or other person who is known to him or likely to take an interest in his welfare told as far as is practicable that he has been arrested and where he is being detained.
 2. The police officer shall inform the arrested person when he is brought to the police station of this right.
 3. An entry shall be required to be made in the diary as to who was informed of the arrest.
- These protections from power must be held to flow from Articles 21 and 22(1) and enforced strictly. It shall be the duty of the Magistrate,

before whom the arrested person is produced, to satisfy himself that these requirements have been complied with.

22. The above requirements shall be followed in all cases of arrest till legal provisions are made in this behalf. These requirements shall be in addition to the rights of the arrested persons found in the various police manuals.

23. These requirements are not exhaustive. The Directors General of Police of all the States in India shall issue necessary instructions requiring due observance of these requirements. In addition, departmental instruction shall also be issued that a police officer making an arrest should also record in the case diary, the reasons for making the arrest.”

16. Further, in ***Arnesh Kumar v. State of Bihar, (2014) 8 SCC 273***, the Apex Court has unequivocally laid down that arrest must be an exception and not the rule, and that the police must justify the necessity of arrest by demonstrating compelling reasons. The Court emphasized that personal liberty cannot be sacrificed on the altar of unfettered police discretion.

17. Similarly, in ***Arnesh Kumar v. State of Bihar, (2014) 8 SCC 273***, the Apex Court has unequivocally laid down that arrest must be an exception and not the rule, and that the investigating agency must record specific reasons showing necessity of arrest. Arrests made in a routine and casual manner, without satisfying statutory preconditions, have been expressly deprecated.

18. It is also significant that no summons, notice, or intimation was ever issued to the Applicant after registration of the FIR. No search or

seizure was conducted at his premises, and no recovery whatsoever has been effected from his possession. These admitted facts clearly establish that custodial interrogation was neither required nor indispensable for the purpose of investigation.

19. The Apex Court, in ***Siddharth v. State of Uttar Pradesh, (2022) 1 SCC 676***, has authoritatively held that mere filing of a charge sheet does not mandate arrest, and that if the accused has cooperated with the investigation and no custodial interrogation is required, arrest is unjustified and violative of Article 21 of the Constitution.

20. More recently, in ***Satender Kumar Antil v. CBI, (2022) 10 SCC 51***, the Apex Court has reiterated that liberty is the rule and incarceration the exception, and that arrest must be justified on demonstrable necessity. The Court further held that unnecessary arrests clog the criminal justice system and offend constitutional guarantees.

21. In the present case, the arrest of the Applicant has been effected mechanically and as a matter of routine, without recording satisfaction of the mandatory statutory conditions and in complete disregard of the constitutional mandate under Article 21. Such arrest, unsupported by investigative necessity, amounts to punitive detention at the pre-trial stage, which is impermissible in law.

22. In this context, reliance is also placed on ***Paras Mal Lodha v. Assistant Director, 2017 SCC OnLine Del 8676*** (para 8), wherein it has been held that when no recovery is to be effected and custodial

interrogation is not required, continued incarceration cannot be justified and the accused is entitled to bail. It reads thus:

“8. Admitted position is that the premises where raid was conducted on 10-12-2016 i.e. R-89, Greater Kailash Part-I, New Delhi, did not belong to the petitioner. It is also admitted that at the time of recovery of Rs. 2.62 crores in the denomination of Rs. 2,000 currency notes, the petitioner was not present in the said premises. On being asked whether the currency Rs. 2.62 crores recovered from Rohit Tandon's premises belonged to the petitioner, learned Senior Counsel, on instructions, emphatically denied if the said currency belonged to the petitioner. Learned Standing Counsel for the respondent fairly admitted that no other recovery of any cash was effected at petitioner's instance either at his residence or any other place. When specifically enquired as to how the money recovered from Rohit Tandon's premises was connected with the petitioner, the learned counsel informed that statements of co-accused Rohit Tandon and his employees have been recorded and they have disclosed in their statements that the currency belonged to the petitioner. These statements are to be tested during trial. Status report reveals that Vijay Kumar @ Kant Mishra has claimed ownership of the new currency recovered from the spot before Income Tax Department. No credible evidence is on record to infer as to whom the money belonged and how the petitioner was beneficiary.”

23. Thus, tested on the anvil of the settled principles laid down by the Apex Court, the arrest of the Applicant in the present case is manifestly arbitrary, unconstitutional, and unsustainable in law. The continued incarceration of the Applicant serves no legitimate purpose of

investigation and is liable to be set aside. The Applicant, therefore, deserves to be enlarged on bail in the interest of justice.

24. Learned counsel for the applicant submits that the Applicant was arrested nearly one year and seven months after registration of the FIR, despite being available throughout and without any allegation of non-cooperation. No summons or notice was ever issued to the Applicant after registration of the FIR, which clearly demonstrates that his custodial arrest was not considered necessary for investigation at any stage.

25. It is submitted that the Apex Court in ***Joginder Kumar v. State of U.P.*** has unequivocally held that arrest cannot be made in a routine manner merely because it is lawful to do so, and the police officer must justify the arrest on the touchstone of necessity. The present arrest, effected after prolonged delay and without recorded satisfaction of necessity, falls foul of this settled principle.

26. Learned counsel for the applicant further places reliance on ***Mohd. Zubair v. State (NCT of Delhi)***, wherein the Apex Court reiterated that the power to arrest is not unbridled and must be exercised only when arrest is indispensable for investigation. In the present case, no such indispensability is either pleaded or demonstrated. The judgment reinforced principles of personal liberty, cautioned against the misuse of criminal law, and aimed to prevent piecemeal investigations, establishing important precedents for freedom of speech and fair legal process.

VAGUE AND SPECULATIVE ALLEGATIONS OF TAMPERING WITH EVIDENCE OR INFLUENCING WITNESSES CANNOT BE A GROUND TO DENY BAIL

27. It is submitted that the Prosecution's bald and omnibus allegation that the Applicant is likely to tamper with evidence or influence witnesses is wholly vague, speculative, and unsupported by any tangible material. No specific instance, overt act, or concrete circumstance has been placed on record to substantiate such an apprehension. Mere conjectures and generalized assertions, unbacked by material particulars, cannot form the basis for curtailing the Applicant's fundamental right to personal liberty.

28. The law in this regard is no longer *res integra*. The Apex Court in ***Zahur Haider Zaidi v. CBI, (2019) 20 SCC 404***, has categorically held that speculative apprehensions of influencing witnesses or tampering with evidence, without any supporting material, cannot constitute valid grounds for denial of bail. The Apex Court has emphasized that such objections must be founded on objective facts and not on mere surmises. It has been held in ***Zahur Haider Zaidi (supra)*** that:

“2. Our attention has been drawn to the allegations against the accused-appellant and that he is in custody for the last 19 months. Though the accused-appellant is facing charge under Section 302, we are told that the trial has not made substantial progress beyond the framing of the charge. Completion of trial will take some time.

4. The only apprehension expressed on behalf of the Central Bureau of Investigation is that the appellant being a highly placed police officer

may intimidate and win over witnesses and influence them.

5. We are of the view that the bail ought not to be denied on the aforesaid ground and in the event of any such conduct, the prosecution can always approach the competent court for cancellation of bail.”

29. In the present case, the Prosecution has failed to demonstrate any circumstance indicating that the Applicant has ever attempted to interfere with the course of justice. On the contrary, the conduct of the Applicant throughout the proceedings unequivocally belies the apprehensions sought to be projected.

PARITY AND CONDUCT OF THE APPLICANT: GRANT OF BAIL IN A GRAVER OFFENCE

30. It is further significant to note that the Applicant has already been enlarged on regular bail in connection with ECIR No. RPZO/04/2024 dated 11.04.2024, registered by the Enforcement Directorate for alleged offences under Sections 3 and 4 of the Prevention of Money Laundering Act, 2002, wherein the statutory threshold for grant of bail is considerably higher. Despite the rigours of the twin conditions applicable under the PMLA, the competent court found it fit to grant bail to the Applicant.

The aforesaid fact clearly establishes that the Applicant would invariably satisfy the well-settled “triple test” for bail, namely:

- (i) likelihood of absconding;
- (ii) possibility of tampering with evidence; and

(iii) influencing witnesses.

If the Applicant has been found deserving of bail in proceedings under a stringent special statute, there remains no rational justification to deny him bail in the present case, which stands on a comparatively weaker footing.

31. It is submitted that at the stage of consideration of bail application, the High Court is not required to undertake a detailed or microscopic examination of the prosecution evidence, nor is it expected to evaluate the admissibility, probative value or truthfulness of the statements or documents relied upon by the prosecution.

32. It is a settled principle of criminal jurisprudence that a bail proceeding cannot be converted into a mini-trial, and that issues relating to appreciation of evidence, contradictions, omissions or credibility of witnesses are matters squarely within the domain of trial. In this regard, reliance is placed on the authoritative pronouncement of the Apex Court in ***Vijay Madanlal Choudhary v. Union of India***, wherein it has been categorically held that while considering bail, the Court must confine itself to a prima facie view and must refrain from delving into the evidentiary details so as to record findings which may prejudice either side at the stage of trial.

33. The Applicant, therefore, submits that the prosecution's attempt to invite this Hon'ble Court to analyze statements, digital material and documents in depth is wholly impermissible at this stage and contrary to settled law.

PRIMA FACIE SATISFACTION, NOT PROOF, IS THE GOVERNING TEST

34. It is submitted that at the bail stage, the test is not whether the prosecution will ultimately succeed, but whether continued incarceration of the Applicant is necessary having regard to the nature of allegations, the stage of investigation, and the constitutional mandate under Article 21. The Applicant does not seek a clean chit or adjudication on merits at this stage. The limited submission is that continued detention is not warranted, particularly when the investigation has substantially progressed and the material relied upon by the prosecution is already in its custody.

PARITY WITH SIMILARLY PLACED CO-ACCUSED: SELECTIVE ARREST AND DISCRIMINATORY TREATMENT

35. Learned counsel for the Applicant submits that the Applicant has specifically raised the ground of parity, which goes to the root of fairness in criminal investigation. It is an admitted position, even as per the prosecution's own narrative, that several individuals who are alleged to have occupied equal or more central, managerial, or decision-making roles in the alleged transactions have not been arrested, nor subjected to custodial interrogation. The Applicant submits that such selective arrest, without any rational or intelligible differentia, violates the principle of equal treatment under law, and is a relevant factor while considering a bail application.

36. In this context, reliance is placed on the judgment of the Apex Court in *Arvind Kejriwal v. Directorate of Enforcement*, wherein the Court recognized that selective arrest and differential treatment among similarly placed accused is a relevant consideration in bail jurisprudence, particularly where custodial interrogation is not shown to be indispensable.

37. Further reliance is placed on *Vipin Yadav v. Directorate of Enforcement*, wherein it has been held that absence of arrest of co-accused having similar or graver roles lends weight to the plea of parity, especially when the investigation proceeds without custodial detention of such persons.

38. In the present case, the Applicant has been singled out for arrest, despite the fact that others, who according to the prosecution itself held institutional, supervisory or policy-level positions, continue to remain at liberty.

BONAFIDE CONDUCT AND NON-MISUSE OF LIBERTY

39. It is also of considerable relevance that **even during the period when interim relief was granted by this Court, owing to the serious illness of the Applicant's mother and subsequently in the unfortunate event of her demise, the Applicant has scrupulously adhered to all conditions imposed by the Court and has not misused the liberty in any manner whatsoever.** The conduct of the Applicant thus demonstrates his bona fides, respect for the process of law, and commitment to cooperate with the judicial proceedings.

40. The Apex Court has repeatedly held that past conduct while on interim bail or regular bail is a crucial factor while considering subsequent bail applications, and faithful compliance with conditions strongly militates against speculative fears projected by the prosecution.

NO METICULOUS EXAMINATION OF EVIDENCE AT THE STAGE OF BAIL

41. It is further submitted that the Prosecution's attempt to invite this Court to undertake a detailed scrutiny of the evidentiary material is legally impermissible at the stage of bail. A meticulous examination of evidence, assessment of its admissibility, or recording findings on merits falls squarely within the domain of trial. The Apex Court has consistently held that at the stage of considering a bail application, the Court is only required to form a prima facie view, and not to conduct a mini trial. In ***Sanjay Chandra v. CBI, (2012) 1 SCC 40***, the Apex Court observed that pre-trial incarceration should not be resorted to as a measure of punishment, and that the object of bail is merely to secure the presence of the accused during trial. It reads thus:

“39. Coming back to the facts of the present case, both the Courts have refused the request for grant of bail on two grounds :- The primary ground is that offence alleged against the accused persons is very serious involving deep rooted planning in which, huge financial loss is caused to the State exchequer ; the secondary ground is that the possibility of the accused persons tempering with the witnesses. In the present case, the charge is that of cheating and dishonestly inducing delivery of property, forgery for the purpose of cheating using as genuine a

forged document. The punishment of the offence is punishment for a term which may extend to seven years. It is, no doubt, true that the nature of the charge may be relevant, but at the same time, the punishment to which the party may be liable, if convicted, also bears upon the issue. Therefore, in determining whether to grant bail, both the seriousness of the charge and the severity of the punishment should be taken into consideration.

40. The grant or refusal to grant bail lies within the discretion of the Court. The grant or denial is regulated, to a large extent, by the facts and circumstances of each particular case. But at the same time, right to bail is not to be denied merely because of the sentiments of the community against the accused. The primary purposes of bail in a criminal case are to relieve the accused of imprisonment, to relieve the State of the burden of keeping him, pending the trial, and at the same time, to keep the accused constructively in the custody of the Court, whether before or after conviction, to assure that he will submit to the jurisdiction of the Court and be in attendance thereon whenever his presence is required.

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43. There are seventeen accused persons. Statement of the witnesses runs to several hundred pages and the documents on which reliance is placed by the prosecution, is voluminous. The trial may take considerable time and it looks to us that the appellants, who are in jail, have to remain in jail longer than the period of detention, had they been convicted. It is not in the interest of justice that accused should be in jail for an indefinite period. No doubt, the offence alleged against the appellants is a serious one in terms of alleged huge loss to the State exchequer, that, by itself, should not deter us from enlarging the appellants on bail when there is no serious contention of the respondent that the accused, if released on bail, would interfere with the trial or tamper with evidence. We do not see any good

reason to detain the accused in custody, that too, after the completion of the investigation and filing of the charge-sheet.”

42. Similarly, in ***P. Chidambaram v. Directorate of Enforcement***, (2020) 13 SCC 791, the Apex Court reiterated that elaborate evaluation of evidence is not warranted at the bail stage, and that liberty must be preserved unless compelling reasons dictate otherwise.

“21. Opposing the grant of anticipatory bail, the learned Solicitor General submitted that the Enforcement Directorate has cogent evidence to prove that it is a case of money-laundering and there is a need of custodial interrogation of the appellant. The learned Solicitor General submitted that the economic offences stand as a class apart and custodial interrogation is required for the Enforcement Directorate to trace the trail of money and prayed for dismissal of the appeal.

22. As noted earlier, the predicate offences are under [Sections 120B](#) IPC and 420 [IPC](#), [Section 8](#) and [Section 13\(2\)](#) read with [Section 13\(1\)\(d\)](#) of Prevention of Corruption Act. Case is registered against the appellant and others under [Sections 3](#) and [4](#) of PMLA. The main point falling for consideration is whether the appellant is entitled to the privilege of anticipatory bail. In order to consider whether the appellant is to be granted the privilege of anticipatory bail, it is necessary to consider the salient features of the special enactment – [Prevention of Money-Laundering Act, 2002](#).

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33. [Section 19](#) of PMLA deals with the power of the specified officer to arrest. Under sub-section (1) of [Section 19](#) of PMLA, the specified officer viz. the Director, the Deputy Director, Assistant Director or any other officer authorised in this behalf by the Central Government by general or special order, on the basis of the material in

possession, having “reason to believe” and “reasons for such belief be recorded in writing” that the person has been guilty of offence punishable under the PMLA, has power to arrest such person. The authorised officer is required to inform the accused the grounds for such arrest at the earliest and in terms of sub- section (3) of [Section 19](#) of the Act, the arrested person is required to be produced to the jurisdictional Judicial Magistrate or Metropolitan Magistrate within 24 hours excluding the journey time from the place of arrest to the Magistrate’s Court. In order to ensure the safeguards, in exercise of power under [Section 73](#) of the Act, the Central Government has framed “The Prevention of Money-Laundering (The Forms and the Manner of Forwarding a Copy of Order of Arrest of a Person along with the Material to the Adjudicating Authority and its Period of Retention) Rules, 2005”. Rule 3 of the said Rules requires the arresting officer to forward a copy of order of arrest and the material to the Adjudicating Authority in a sealed cover marked “confidential” and Rule 3 provides for the manner in maintaining the confidentiality of the contents.”

43. In view of the above facts and settled principles of law, it is evident that the Prosecution has failed to demonstrate any real or substantial risk of the Applicant absconding, tampering with evidence, or influencing witnesses. The Applicant’s conduct, grant of bail in a graver offence, and absence of any misuse of liberty clearly entitle him to the relief of bail. Continued incarceration in such circumstances would be wholly unjustified and violative of Article 21 of the Constitution of India.

CUSTODIAL INTERROGATION IS NO LONGER REQUIRED

44. The entire evidence relied upon by the prosecution is documentary and electronic in nature, already in its possession.

Investigation qua the Applicant is complete and a supplementary charge-sheet has been filed. There is no assertion that any further recovery or confrontation is required. Continued incarceration, therefore, serves no investigational purpose and would amount to punitive detention.

45. It is submitted that no search or seizure was conducted at the premises of the Applicant and no incriminating material has been recovered from his possession. The entire case of the prosecution rests on documentary and electronic material, all of which is already in custody of the investigating agency.

46. Learned counsel for the Applicant further submits that even when the Applicant was in judicial custody in another case, the investigating agency did not seek his interrogation in the present FIR, which itself demonstrates that custodial interrogation was never required. Reliance is placed on ***Siddharth v. State of U.P.***, wherein the Apex Court held that arrest during investigation is warranted only when custodial interrogation becomes necessary or where there exists a real possibility of absconding or influencing witnesses. The power to arrest an accused during the course of investigation arises only in defined circumstances—namely, where custodial interrogation is imperative, where the offence alleged is of a heinous nature, or where there exists a reasonable apprehension that the accused may influence witnesses, tamper with evidence, or abscond. The mere existence of a lawful power to arrest does not, by itself, justify or mandate its exercise. A clear and well-

recognized distinction must always be maintained between the existence of the power to arrest and the justification for its exercise.

47. Routine or mechanical arrests, without compelling reasons, have the potential to cause irreparable and incalculable harm to the dignity, reputation, and self-esteem of an individual. Arrest, therefore, cannot be treated as an inevitable or automatic consequence of the registration of an offence. Where the Investigating Officer has no tangible or objective reason to believe that the accused will evade the process of law, disobey summons, or obstruct the course of investigation, and where the accused has, in fact, consistently cooperated with the investigating agency, this Court finds no rational basis to compel the arrest of such an accused.

48. In such circumstances, the insistence on arrest would not advance the interests of justice, but would instead amount to an unwarranted curtailment of personal liberty, contrary to settled principles governing criminal investigation and the constitutional mandate to protect individual freedom.

49. Further reliance is placed on ***Santosh v. State of Maharashtra***, wherein it was held that custodial interrogation is not meant for extracting confessions and mere refusal to confess cannot be construed as non-cooperation. Thus, the continued custody of the Applicant serves no investigative purpose.

50. Learned counsel for the applicant submits that investigation against the Applicant stands completed and a supplementary charge-sheet dated 06.10.2025 has already been filed. There is no assertion that any further recovery or custodial assistance of the Applicant is required. The Apex Court in ***Vinay Tyagi v. Irshad Ali and Vinubhai Haribhai Malaviya v. State of Gujarat*** has held that further investigation cannot be carried out in a routine manner without judicial scrutiny and that the liberty of the accused cannot be kept in abeyance on speculative future investigation.

G. Parity and Non-Discriminatory Application of Bail Principles

51. It is submitted that several individuals who are alleged, even by the prosecution itself, to have played a more central, managerial, or decisive role in the alleged transactions have not been subjected to arrest at all. Significantly, co-accused persons against whom graver and more direct allegations have been levelled, including Mr. Roshan Chandrakar and Mr. Manoj Kumar Soni, have already been enlarged on regular bail by the competent courts.

52. In this backdrop, the continued incarceration of the present Applicant stands on a distinctly weaker footing. The prosecution has failed to demonstrate any distinguishing circumstance—either in terms of role, culpability, recovery, or conduct—that would justify treating the Applicant differently from similarly or more seriously placed co-accused. The selective deprivation of liberty, when persons allegedly higher in the hierarchy of the purported conspiracy are either on bail or have not been

arrested, renders the Applicant's continued detention manifestly disproportionate.

53. The principle of parity, which this Court has consistently recognized as a relevant and weighty consideration in bail jurisprudence, mandates that similarly situated accused persons be treated alike, unless a clear and rational basis for differentiation is established. In the present case, no such basis is discernible from the record. On the contrary, the Applicant's alleged role is comparatively peripheral, unsupported by recoveries or independent corroboration, while co-accused with allegedly greater involvement are already enjoying the benefit of liberty.

54. Viewed thus, the Applicant's continued incarceration, in the face of bail granted to co-accused with graver allegations and the non-arrest of others similarly placed, offends the principle of parity and fairness, and results in an unequal application of bail standards. Such an approach, if sustained, would amount to an arbitrary curtailment of personal liberty, which cannot be countenanced at the stage of bail.

PROLONGED PRE-TRIAL INCARCERATION AND DELAY IN TRIAL :

55. It is submitted that charges are yet to be framed in the present case. **The prosecution has cited hundreds of witnesses and relied upon voluminous documentary material running into thousands of pages.** The magnitude and complexity of the prosecution case unmistakably indicate that the trial is likely to be long-drawn and protracted, with no realistic prospect of early conclusion.

56. In this backdrop, the continued incarceration of the Applicant would amount to prolonged pre-trial detention, which has repeatedly been held by the Hon'ble Supreme Court to be constitutionally impermissible. The right to a speedy trial is an inseparable facet of Article 21 of the Constitution, and the State cannot, by citing the seriousness of allegations or the volume of evidence, justify indefinite deprivation of personal liberty.

57. The Apex Court in ***Union of India v. K.A. Najeer*** has authoritatively held that even in cases involving serious offences, where the trial is unlikely to conclude within a reasonable time, continued incarceration would violate Article 21, thereby entitling the accused to bail notwithstanding statutory rigours. The Court has emphasized that constitutional courts cannot permit liberty to be eclipsed merely because the prosecution requires considerable time to lead evidence.

58. More recently, in ***Javed Gulam Nabi Shaikh v. State of Maharashtra***, the Apex Court reiterated that if the State or the prosecuting agency is unable to ensure a speedy trial, it ought not to oppose bail solely on the ground of gravity of the offence. The Court categorically observed that Article 21 applies irrespective of the nature of the crime, and prolonged incarceration pending trial is constitutionally indefensible. Applying the aforesaid principles to the present case, where charges are yet to be framed, witnesses are numerous, documents are voluminous, and the likelihood of early conclusion of trial is remote, the continued detention of the Applicant would convert the

presumption of innocence into a punishment without trial. Such an outcome would strike at the very heart of Article 21 and render the guarantee of personal liberty illusory.

“17. In the recent decision, *Satender Kumar Antil v. Central Bureau of Investigation* reported in (2022) 10 SCC 51, prolonged incarceration and inordinate delay engaged the attention of the court, which considered the correct approach towards bail, with respect to several enactments, including Section 37 NDPS Act. The court expressed the opinion that Section 436A (which requires inter alia the accused to be enlarged on bail if the trial is not concluded within specified periods) of the Criminal Procedure Code, 1973 would apply:

“We do not wish to deal with individual enactments as each special Act has got an objective behind it, followed by the rigour imposed. The general principle governing delay would apply to these categories also. To make it clear, the provision contained in Section 436-A of the Code would apply to the Special Acts also in the absence of any specific provision. For example, the rigour as provided under Section 37 of the NDPS Act would not come in the way in such a case as we are dealing with the liberty of a person. We do feel that more the rigour, the quicker the adjudication ought to be. After all, in these types of cases number of witnesses would be very less and there may not be any justification for prolonging the trial. Perhaps there is a need to comply with the directions of this Court to expedite the process and also a stricter compliance of Section 309 of the Code.

XXXXX

XXXXX

XXXXX

19. If the State or any prosecuting agency including the court concerned has no wherewithal to provide or protect the fundamental right of an accused to have a speedy trial as enshrined under Article 21 of the Constitution then the State or any other prosecuting agency should not oppose the plea for bail on the ground that the crime committed is serious. Article 21 of the Constitution applies irrespective of the nature of the crime.”

59. It is further submitted that the object of bail is to secure the presence of the accused at trial and not to impose pre-conviction punishment. When the prosecution itself contemplates a lengthy trial, the balance must necessarily tilt in favour of liberty, particularly when the Applicant’s presence can be adequately ensured by imposing appropriate conditions.

60. Viewed in the light of settled Article 21 jurisprudence, learned counsel for the applicant submits that the prolonged pendency of proceedings, coupled with the absence of any foreseeable timeline for conclusion of trial, constitutes a strong, independent and constitutionally compelling ground for grant of bail.

61. He submits that the Applicant is a permanent resident with deep social roots and no flight risk. There is no material indicating any attempt to influence witnesses or tamper with evidence. Apprehensions, if any, are speculative and unsupported. The Applicant has not misused liberty during periods of interim relief granted earlier. Reliance is placed on

Preeti Chandra v. Directorate of Enforcement, upheld by the Apex Court in SLP (Crl.) No. 7409 of 2023.

“74. Once the Hon’ble Supreme Court has expressly granted liberty to the applicant to approach the appropriate Court for consideration of bail, the said Court is duty-bound to adjudicate the bail application independently and on its own merits. In such a situation, any reliance placed by the respondent on an earlier order, passed prior to the order dated 10.08.2022 of the Hon’ble Supreme Court, pales into insignificance and cannot govern the subsequent consideration of bail.

It is pertinent to note that the applicant was subjected to interrogation by the investigating agency on several occasions, the last such interrogation having taken place on 15.09.2022. Thereafter, for a prolonged period of more than seven to eight months, the respondents themselves did not deem it necessary to further interrogate the applicant. This conduct clearly demonstrates that the custodial presence of the applicant was neither essential nor indispensable for the purpose of investigation.

Significantly, by order dated 10.08.2022, the Hon’ble Supreme Court has already addressed and dispelled the apprehension regarding the applicant being a flight risk. The said finding stands reinforced by the subsequent order of the Sessions Court dated 07.11.2022, wherein it has been categorically observed that the applicant does not pose any risk of absconding.

75. Viewed cumulatively, these circumstances unequivocally indicate that the continued

incarceration of the applicant is not justified. The investigation has substantially progressed, the applicant has cooperated throughout, and the concerns of flight risk have been judicially negated. Consequently, the liberty of the applicant deserves due protection in accordance with settled principles governing the grant of bail.”

BAIL IS THE RULE; JAIL IS THE EXCEPTION

62. It is a settled and well-entrenched principle of criminal jurisprudence that bail is the rule and jail is the exception, and that denial of bail cannot be resorted to as a measure of punishment prior to conviction. The Hon’ble Supreme Court, as early as in ***Gurbaksh Singh Sibbia v. State of Punjab***, has authoritatively held that a presumptively innocent person must ordinarily be allowed to remain at liberty so as to effectively defend himself, and that pre-trial incarceration should not be mechanically ordered.

63. The Apex Court has consistently cautioned that refusal of bail cannot be used as a punitive or preventive device, particularly when the presence of the accused before the Court can be secured by imposing appropriate and reasonable conditions. In ***Manoranjana Sinha v. Central Bureau of Investigation***, the Supreme Court reiterated that the object of bail is neither to punish nor to detain an accused by way of anticipation of conviction, but merely to ensure his availability during trial.

64. In the present case, there is no material on record to suggest that the Applicant poses any risk of absconding, influencing witnesses, or tampering with evidence. The prosecution has not demonstrated that the Applicant's presence during trial cannot be adequately ensured by the imposition of suitable conditions. On the contrary, the facts disclose that continued incarceration of the Applicant would serve no legitimate purpose of investigation or trial, and would instead result in an unwarranted deprivation of personal liberty.

65. The Apex Court has further held that personal liberty under Article 21 of the Constitution cannot be sacrificed at the altar of procedural convenience. In ***Union of India v. K.A. Najeeb***, it was held that where the trial is unlikely to conclude within a reasonable time, continued pre-trial detention would be constitutionally impermissible, irrespective of the gravity of the allegations. The Apex Court has delivered a significant judgment on striking a balance between the bail provisions under the Unlawful Activities (Prevention) Act (UAPA) and the constitutional right to a speedy trial (Article 21). The Court granted bail to Najeeb, who had been detained without trial for a long time, holding that even the stringent conditions of the UAPA cannot override the fundamental rights under Article 21 and that bail can be granted in cases of delay, even if there are stringent conditions under Section 43D(5) of the UAPA.

66. Thus, when the facts and circumstances of the present case are viewed cumulatively, including the stage of the proceedings, the nature of evidence, the absence of recoveries, parity with co-accused, and the

improbability of early conclusion of trial, this Court finds no justification for continued pre-trial incarceration of the Applicant. The balance between the interests of the prosecution and the fundamental right to personal liberty decisively tilts in favour of grant of bail, subject of course to appropriate conditions to secure the Applicant's presence during trial.

67. It is a settled principle of law that bail is the rule and jail is the exception, and denial of bail cannot be used as a punitive measure. The presence of the Applicant during trial can be adequately secured by imposing appropriate conditions. Thus, if viewed cumulatively, the facts and circumstances of the case do not warrant continued pre-trial incarceration of the applicant.

IV. CONCLUDING SUBMISSION

68. It is therefore submitted that even taking the prosecution allegations at their highest, the material on record does not justify continued pre-trial incarceration of the Applicant. The balance between the needs of investigation and the Applicant's fundamental right to liberty now decisively tilts in favour of bail. The Applicant has remained in custody since 09.07.2025 and has undergone more than four months of pre-trial incarceration. The period of custody includes short spells of interim/parole relief granted by this Court and the Apex Court, which have been duly accounted for.

69. The continued incarceration of the Applicant would, in the facts and circumstances of the present case, amount to punitive detention, which is impermissible in law prior to adjudication of guilt. Pre-trial

detention, it is submitted, cannot be allowed to operate as a surrogate for punishment, nor can it be justified in the absence of demonstrable necessity related to investigation, trial, or administration of justice.

70. Thus, viewed from the standpoint of constitutional proportionality, fairness, and settled bail jurisprudence, the continued incarceration of the Applicant would serve no legitimate purpose and would result in an unwarranted deprivation of personal liberty. Learned counsel, therefore, submits that the Applicant may be enlarged on bail, subject to such conditions as this Hon'ble Court may deem fit and proper in the interest of justice.

SUBMISSION ON BEHALF OF THE STATE

71. Dr. Pande, learned State counsel submits that the present bail application has been preferred by the applicant under Section 483 of the BNSS , 2023 seeking release on bail in connection with Crime No. 01/2024, registered at Police Station ACB/EOW, Raipur, for offences punishable under Sections 384, 409, 120-B of the IPC and Sections 11, 13(1)(a), 13(2) of the Prevention of Corruption Act, 1988 (as amended in 2018).

72. He submits that the allegations against the Applicant are grave, serious, and pertain to a well-orchestrated economic offence involving abuse of official machinery, systematic extortion, and criminal conspiracy, having wide ramifications on public administration and public interest.

I. REGISTRATION OF FIR AND COMMENCEMENT OF INVESTIGATION

73. It is submitted that as per Section 154 of the Code of Criminal Procedure (now corresponding provisions under BNSS), and in light of the law laid down by the Apex Court in ***Lalita Kumari v. Government of Uttar Pradesh***, registration of an FIR is mandatory where information discloses the commission of a cognizable offence.

In the present case, credible information pertaining to predicate offences unearthed during money laundering investigation was received by the Director General of Police, ACB/EOW, Chhattisgarh, pursuant to disclosures made by the Enforcement Directorate during investigation in ECIR/RPZO/04/2023. Accordingly, FIR No. 01/2024 was duly registered and investigation commenced in accordance with law.

II. ORIGIN AND MODUS OPERANDI OF THE CUSTOM RICE MILLING SCAM

74. The prosecution case, in brief, is that during the course of investigation by the Enforcement Directorate under the Prevention of Money Laundering Act, 2002, multiple predicate offences came to light relating to the Custom Rice Milling Scheme in the State of Chhattisgarh. A prosecution complaint dated 21.08.2023 was filed by the Income Tax Department (Investigation), Raipur, before the Court of the Learned Chief Judicial Magistrate, Raipur, detailing a systematic conspiracy involving office bearers of the Chhattisgarh State Rice Millers Association, officials of MARKFED, and other connected persons.

75. The investigation revealed that special incentive payable to rice millers, which was earlier Rs. 40/- per quintal of paddy, was exorbitantly enhanced to Rs. 120/- per quintal during Kharif Marketing Year 2021–22, and the said enhancement was exploited as a conduit for illegal gratification. It emerged that although Rs. 120/- per quintal was officially paid in two installments of Rs. 60/- each, the rice millers were coerced to pay back Rs. 20/- per quintal per instalment in cash, thereby generating a massive stream of unaccounted extortion money.

III. ROLE OF KEY ACCUSED AND COLLECTION MECHANISM

76. Searches conducted by the Income Tax Department under Section 132 of the Income Tax Act, 1961, at the premises of Kailash Rungta, Paras Mal Chopra, Roshan Chandrakar, Manoj Soni (then MD, MARKFED) and Ms. Pritika Pooja Kerketta (then DMO, Korba) resulted in seizure of incriminating documents, digital devices, and recording of statements under Section 132(4).

77. Six loose sheets containing handwritten entries marked “P”, “D”, and “Bill” were seized from the premises of Ms. Pritika Pooja Kerketta. In her statement, she categorically explained that:

“P” denoted bills passed,

“D” denoted bills not passed, and

“Bill” denoted bills not yet presented.

She further disclosed that bills of only those rice millers were forwarded whose names were cleared by the district rice millers’ association and who had paid the extortion amounts.

IV. DISCLOSURE REGARDING COLLECTION AND DISTRIBUTION OF EXTORTION AMOUNT

78. During further investigation, it was revealed that Roshan Chandrakar, Treasurer of the Chhattisgarh State Rice Millers Association, was entrusted with the task of collecting kickbacks from rice millers across the State, with active collusion of Manoj Soni, the then Managing Director of MARKFED.

79. Searches conducted under Section 17 of the PMLA on 20.10.2023 and 21.10.2023 led to seizure of unaccounted cash amounting to Rs. 1.06 Crores, besides incriminating documents and digital evidence. Statements recorded under Section 50 of the PMLA and other materials established that the total extortion amount collected was approximately Rs. 140 Crores, extracted from rice millers across the State of Chhattisgarh.

V. ROLE AND EVIDENCE AGAINST THE PRESENT APPLICANT

80. Dr. Pande, submits that from the facts and evidence collected during investigation, it has emerged that the **Applicant Anwar Dhebar was a highly influential figure during the relevant period**, exercising substantial political and administrative influence. Digital evidence seized during searches, including WhatsApp chats and call records, reveals regular communication between the Applicant and co-accused Anil Tuteja and Roshan Chandrakar, wherein discussions pertained to:

- allocation of schemes,
- movement of illegal funds,

postings in key departments such as PWD, Forest Department, Excise Department, Electricity Department, and MARKFED.

81. Witness Siddharth Singhanian, whose statement was recorded under Section 164 CrPC before the competent Court, has categorically stated that the Applicant was involved in collection and consumption of illegal proceeds arising out of the custom milling scam, and that the extortion money collected was routed through Roshan Chandrakar and delivered to Anil Tuteja at the behest of the Applicant. The said witness has further detailed the manner in which:

FaceTime calls were used,

specific mobile numbers were shared,

collection points were fixed,

vehicles and locations were identified for delivery of illegal cash.

The prosecution submits that the above evidence clearly establishes the active role of the Applicant in the criminal conspiracy, and not a mere peripheral or passive association.

VI. GRAVITY OF OFFENCE AND IMPACT ON PUBLIC INTEREST

82. The offences alleged are economic offences of grave nature, involving large-scale corruption, systematic extortion, and abuse of public office. Such offences strike at the root of governance, public trust, and economic integrity. It is well settled that in cases involving serious economic offences, the Court is required to adopt a cautious and strict approach while considering bail, as such offences have deep-rooted conspiracies and far-reaching societal impact.

VII. LIKELIHOOD OF TAMPERING AND INFLUENCING WITNESSES

83. The Applicant is an influential person with deep-rooted connections in political and administrative circles. There exists a real and imminent apprehension that if enlarged on bail, he may:
influence witnesses,
tamper with evidence,
obstruct the ongoing investigation.

Several witnesses are yet to be examined, and the investigation is at a crucial stage. Grant of bail at this juncture would seriously prejudice the prosecution case. He submits that the present case is not a routine bail matter but concerns a grave and deep-rooted economic offence, executed through a well-planned, layered and systematic criminal conspiracy, involving abuse of official machinery, manipulation of public policy, large-scale extortion and laundering of public funds running into hundreds of crores of rupees.

84. The material placed before this Hon'ble Court demonstrates that the Applicant was not a peripheral actor but a central conspirator, who exercised extra-constitutional influence over public officials, coordinated the collection, routing and distribution of illegal funds, and ensured continuity of the racket through coded communication, multiple devices, intermediaries and trusted associates. The offence, therefore, strikes at the very foundations of governance, probity in public administration and public confidence in the rule of law.

VIII. ECONOMIC OFFENCES – A CLASS APART

85. The Hon'ble Supreme Court has consistently held that economic offences constitute a class apart and must be dealt with a different and stricter approach at the stage of bail.

In ***P. Chidambaram v. Directorate of Enforcement***, the Supreme Court, after surveying earlier precedents, has categorically observed that economic offences are committed with cool calculation and deliberate design, and that the magnitude of such crimes and their impact on the economy are relevant considerations while deciding bail. The Court reiterated the principle earlier laid down in ***State of Gujarat v. Mohanlal Jitmalji Porwal***, wherein it was held that:

“An economic offence is committed with cool calculation and deliberate design with an eye on personal profit regardless of the consequence to the community... the entire community is aggrieved.”

In the present case, the offence is not an isolated transaction but a continuing criminal enterprise, systematically executed over a period of time, involving institutional capture of decision-making processes and deliberate exploitation of public resources.

IX. GRAVITY, MAGNITUDE AND SOCIETAL IMPACT

86. The Hon'ble Supreme Court in ***Y.S. Jagan Mohan Reddy v. CBI (2013) 7 SCC 439***, has held that:

“34. Economic offences constitute a class apart and need to be visited with a different approach in the matter of bail. The economic offence having deep rooted conspiracies and involving huge loss of public funds needs to be viewed seriously and considered as grave offences affecting the economy of the country as a whole and thereby posing serious threat to the

financial health of the country.

35. While granting bail, the court has to keep in mind the nature of accusations, the nature of evidence in support thereof, the severity of the punishment which conviction will entail, the character of the accused, circumstances which are peculiar to the accused, reasonable possibility of securing the presence of the accused at the trial, reasonable apprehension of the witnesses being tampered with, the larger interests of the public/State and other similar considerations.”

87. He submits that economic offences having deep-rooted conspiracies and involving huge loss of public funds need to be viewed seriously and considered as grave offences affecting the economy of the country as a whole. The present case squarely falls within this category. The alleged extortion and illegal collections are not merely financial irregularities but systemic corruption, affecting procurement, distribution of food grains, public exchequer and market integrity.

X. WELL-SETTLED PARAMETERS GOVERNING GRANT OF BAIL

88. The law governing bail has been authoritatively crystallised by the Apex Court in ***Prasanta Kumar Sarkar v. Ashis Chatterjee***, and reiterated in ***Ramesh Bhavan Rathod v. Vishanbhai Hirabhai Makwana, (2021) 6 SCC 230***, laying down that while considering bail, the Court must examine:

existence of a prima facie case;
nature and gravity of accusation;
severity of punishment;

likelihood of the accused influencing witnesses;
 remembered power and standing of the accused;
 possibility of justice being thwarted.

Applying these parameters to the present case, the Respondent submits that each and every factor weighs decisively against the Applicant. The material on record discloses a strong prima facie case; the magnitude of the offence is enormous; and the Applicant's demonstrated influence over officials and witnesses creates a real and tangible risk to a fair investigation and trial.

In ***Ramesh Bhavan Rathod (supra)***, it has been held that :

24. The principles governing the grant of bail were reiterated by a two judge Bench in **Prasanta Kumar Sarkar v. Ashis Chatterjee (2010) 14 SCC 496**:

"9. ... It is trite that this Court does not, normally, interfere with an order passed by the High Court granting or rejecting bail to the accused. However, it is equally incumbent upon the High Court to exercise its discretion judiciously, cautiously and strictly in compliance with the basic principles laid down in a plethora of decisions of this Court on the point. It is well settled that, among other circumstances, the factors to be borne in mind while considering an application for bail are:

- (i) whether there is any prima facie or reasonable ground to believe that the accused had committed the offence;
- (ii) nature and gravity of the accusation;
- (iii) severity of the punishment in the event of conviction;
- (iv) danger of the accused absconding or fleeing, if released on bail;

- (v) character, behaviour, means, position and standing of the accused;
- (vi) likelihood of the offence being repeated;
- (vii) reasonable apprehension of the witnesses being influenced; and
- (viii) danger, of course, of justice being thwarted by grant of bail.

“10. It is manifest that if the High Court does not advert to these relevant considerations and mechanically grants bail, the said order would suffer from the vice of non-application of mind, rendering it to be illegal...”

47. The considerations which must weigh with the Court in granting bail have been formulated in the decisions of this Court in *Ram Govind Upadhyay v. Sudarshan Singh*¹³ and *Prasanta Kumar Sarkar v. Ashis Chatterjee*¹⁴ (noted earlier). These decisions as well as the decision in *Sanjay Chandra* (supra) were adverted to in a recent decision of a two judge Bench of this Court dated 19 March 2021 in *The State of Kerala v. Mahesh*¹⁵ where the Court observed:

“22...All the relevant factors have to be weighed by the Court considering an application for bail, including the gravity of the offence, the evidence and material which prima facie show the involvement of applicant for bail in the offence alleged, the extent of involvement of the applicant for bail, in the offence alleged, possibility of the applicant accused absconding or otherwise defeating or delaying the course of justice, reasonable apprehension of witnesses being threatened or influenced or of evidence being tempered with, and danger to the safety of the victim (if alive), the complainant, their relatives, friends or other witnesses....” Similarly, the Court held that the grant of bail by the High Court can be set aside, consistent with the precedents we have discussed above, when such grant is based on non-application of mind or is innocent of the relevant factors for such grant.”

XI. REAL AND IMMINENT RISK OF TAMPERING AND OBSTRUCTION OF JUSTICE

89. The investigation reveals layered participation, including cash collectors, intermediaries, vehicle handlers and facilitators. Several co-accused are yet to be apprehended, and supplementary charge-sheets are contemplated. In such circumstances, release of the Applicant would create a serious and irreparable risk of:

influencing or pressurizing key witnesses,

coordinating with absconding or yet-to-be-arrested co-accused,

tampering with remaining digital and documentary evidence.

The Apex Court has cautioned that where there is reasonable apprehension of witnesses being influenced or justice being thwarted, bail ought not to be granted merely on abstract considerations of liberty.

XII. ARTICLE 21 – BALANCE BETWEEN LIBERTY AND SOCIETAL INTEREST

90. The Respondent respectfully submits that while personal liberty under Article 21 is sacrosanct, it is not absolute and must be balanced against societal interest, rule of law and the need for a fair and effective investigation.

91. The Apex Court has repeatedly held that Article 21 does not confer a license to subvert justice, particularly in cases involving serious economic offences with far-reaching consequences. In view of the overwhelming *prima facie* material, the grave nature and magnitude of the offence, the systematic and organized manner of commission, the Applicant's influential position, and the real likelihood of obstruction of

justice, the Respondent–State submits that no case for grant of bail is made out. The instant bail application is devoid of merits, suffers from suppression of material considerations, and, if allowed, would seriously undermine public confidence in the administration of criminal justice.

92. For all the aforesaid reasons, the Respondent submits that this Hon'ble Court be pleased to reject the bail application, in the interest of justice, public interest, and to preserve the integrity of the ongoing investigation and future trial.

FINDINGS AND CONCLUSION

Consideration Of Rival Submissions :This Court has bestowed its anxious consideration to the rival submissions advanced by learned Senior Counsel for the Applicant and learned counsel appearing for the State. The case diary, charge-sheets, supplementary material and the impugned order have been carefully perused.

93. At the outset, this Court deems it apposite to reiterate that while adjudicating a bail application, the Court is not expected to undertake a detailed appreciation of evidence or enter into a roving inquiry into the merits of the prosecution case. The scope of examination is limited to assessing whether continued deprivation of liberty is justified having regard to the nature of allegations, the stage of investigation, the likelihood of the trial concluding within a reasonable time, and the overarching constitutional mandate under Article 21 of the Constitution of India.

NATURE OF ALLEGATIONS AND STAGE OF PROCEEDINGS

94. It is an admitted position that the Applicant was not named in the FIR, nor in the original charge-sheet. His implication has surfaced subsequently, primarily on the basis of statements of co-accused recorded under Section 164 CrPC.

95. The Applicant came to be arrested on 09.07.2025, i.e., after a lapse of more than one year and seven months from the registration of the FIR. During the entire interregnum, no notice or summons was issued to him. Further, no search or seizure has been conducted at his premises and no recovery of any incriminating material has been effected from his possession. A supplementary charge-sheet qua the Applicant has already been filed. Charges are yet to be framed. Thus, investigation insofar as the Applicant is concerned stands substantially completed, and the material relied upon by the prosecution is predominantly documentary in nature and already within its custody.

ARREST AND NECESSITY OF CONTINUED CUSTODY

96. The law relating to arrest is well settled. The power to arrest does not *ipso facto* confer a right to arrest. The necessity of arrest must be demonstrated with reference to statutory parameters. In ***Joginder Kumar v. State of U.P., (1994) 4 SCC 260***, the Supreme Court has held that arrest cannot be made in a routine manner and must be justified by necessity. This principle has been reaffirmed in ***Siddharth v. State of U.P., (2022) 1 SCC 676***, wherein it was observed that if arrest is not necessary for investigation, an accused should not be arrested merely because it is lawful to do so.

97. More recently, in ***Mohd. Zubair v. State (NCT of Delhi), (2023) 16 SCC 764***, the Supreme Court cautioned against mechanical arrests and underscored that deprivation of liberty must satisfy the test of necessity and proportionality. Tested on these principles, this Court finds substance in the submission that the arrest of the Applicant, effected after an inordinate delay and without demonstrable custodial necessity, *prima facie* appears to be disproportionate.

EVIDENTIARY ASSESSMENT AT THE STAGE OF BAIL

98. The prosecution case against the Applicant rests substantially on statements of co-accused. It is trite law that such statements are not substantive evidence and can only be used for limited purposes, subject to strict corroboration. In ***Haricharan Kurmi v. State of Bihar, AIR 1964 SC 1184 and Surinder Kumar Khanna v. Directorate of Revenue Intelligence, (2018) 8 SCC 271***, the Supreme Court has held that uncorroborated statements of co-accused cannot form the sole basis for conviction, much less for prolonged pre-trial incarceration.

99. At this stage, without commenting on the merits, this Court is of the considered view that the evidentiary material presently relied upon does not justify continued detention, particularly when investigation qua the Applicant is complete.

OFFENCES :

100. The Applicant is not a public servant. No act of official decision-making, entrustment or dominion over government property has been attributed to him. *Prima facie*, therefore, the applicability of Section 409

IPC and the provisions of the Prevention of Corruption Act would require deeper scrutiny during trial. Equally, there is no specific allegation of demand or acceptance of illegal gratification by the Applicant, nor is there any complaint by an alleged victim attributing extortion to him. These aspects, though not conclusively determinable at this stage, are relevant for assessing the necessity of continued incarceration. It is not disputed that co-accused, against whom allegations of a more direct and substantial nature are levelled, have already been enlarged on bail.

101. The Supreme Court has consistently held that parity is a relevant consideration in matters of bail, unless distinguishable circumstances are demonstrated. In the present case, this Court does not find any such distinguishing feature warranting differential treatment.

PROLONGED TRIAL AND ARTICLE 21

102. The prosecution proposes to examine hundreds of witnesses and rely upon voluminous documentary evidence. Charges are yet to be framed. The prospect of the trial concluding in the near future appears remote.

103. In ***Union of India v. K.A. Najeed*, (2021) 3 SCC 713**, the Supreme Court held that even in serious offences, prolonged pre-trial incarceration without likelihood of early conclusion of trial would offend Article 21. This principle has been reiterated in ***Manish Sisodia v. Enforcement Directorate*, 2024 SCC OnLine SC 1920**, and ***Javed Gulam Nabi Shaikh v. State of Maharashtra*, 2024 SCC OnLine SC**

1693, wherein it was held that liberty cannot be sacrificed at the altar of an indeterminate trial.

BALANCING LIBERTY AND THE INTEREST OF JUSTICE

104. This Court is conscious of the gravity of the allegations and the societal interest involved. However, gravity alone cannot be the sole ground to deny bail. The Court must balance the need to ensure a fair trial with the fundamental right to personal liberty. Apprehensions regarding absconding, tampering with evidence or influencing witnesses have not been substantiated by any concrete material. Such apprehensions can be adequately addressed by imposing stringent conditions.

105. This Court cannot lose sight of the fact that the Applicant was not named in the FIR, no recovery has been effected from him, and the prosecution case, insofar as the Applicant is concerned, rests primarily on the statement of one Siddharth Singhania, who has merely stated that certain amounts were transferred to him. At this stage, there is no independent material on record demonstrating that such alleged transfer was at the behest of the Applicant or for his benefit.

CONCLUSION

106. Having considered the rival submissions, the nature of allegations, the stage of investigation, the period of custody already undergone, parity with co-accused, and the settled principles of law laid down by the Supreme Court, this Court is of the considered opinion that continued incarceration of the Applicant is neither necessary nor

justified. The Applicant has made out a case for grant of regular bail. The ends of justice would be adequately served by enlarging him on bail subject to appropriate conditions, without commenting on the merits of the case. Accordingly, the bail application deserves to be allowed.

107. The Applicant shall be released on regular bail in connection with the subject crime, upon his furnishing a personal bond in the sum of ₹1,00,000/- (Rupees One Lakh only) along with two local sureties of the like amount, to the satisfaction of the learned Trial Court, subject to the following stringent conditions, which are imposed to ensure the fair, smooth and expeditious conduct of the trial:

- 1) The Applicant shall surrender his passport, if any, before the learned Trial Court forthwith. In case he does not possess a passport, an affidavit to that effect shall be filed.
- 2) The Applicant shall cooperate fully with the investigation and the trial proceedings, and shall make himself available before the Court or the Investigating Agency as and when required, in accordance with law.
3. The Applicant shall not directly or indirectly make any inducement, threat or promise to any person acquainted with the facts of the case, nor shall he attempt to influence any witness or tamper with the evidence in any manner whatsoever.
- 4) The Applicant shall not commit any offence of a similar nature or otherwise during the period he remains on bail.
- 5) In the event of any change in residential address and/or mobile number, the Applicant shall intimate the same to the learned Trial Court by way of a sworn affidavit within a reasonable time.

6) The Applicant shall comply with any other condition that may be imposed by the learned Trial Court in accordance with law.

108. It is clarified that the observations made herein are strictly limited to the consideration and disposal of the present bail application and shall not be construed as an expression of opinion on the merits of the case.

The learned Trial Court shall adjudicate the matter independently, on the basis of the evidence adduced before it, and without being influenced in any manner by the observations recorded in this order.

Sd/-

(Arvind Kumar Verma)
Judge