



2026:CGHC:27550

AFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MCRC No. 5063 of 2026

Order Reserved on 24.06.2026

Order Delivered on 03.07.2026

1 - Ajay Lohia S/o Shri -Bachh Raj Lohia, Aged About 42 Years R/o -G 8/3, 4th Floor, Dlf Phase 1,haryana,gurgaon,sikanderpur Ghosi (68), Gurgaon, Haryana-122002 (Address 2 Name Wrongly Mentioned In The Impugned Order) ... Applicant

versus

1 - State Of Chhattisgarh Through Police Station Economic Offence Wing /anti-Corruption Bureau, District -Raipur (C.G.)

... Respondent(s)

(Cause-title is taken from Case Information System)

For Applicant : Mr. Abhimanyu Bhaduri, Senior Advocate
(through V.C.), Mr. Rajeev Shrivastava,
Senior Advocate, along with Mr. Aarav
Pandit, Mr. Yashraj Verma, Kumar Harsh
& Ms. Roohina Dua, Advocates

For State : Mr. Praveen Das, Additional Advocate
General

(Hon'ble Shri Amitendra Kishore Prasad, Judge)

C.A.V. Order

1. The present application under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 has been preferred on behalf of the applicant seeking grant of regular bail in connection with FIR No. 0044/2024 registered at Police Station Economic Offences Wing/Anti-Corruption Bureau (EOW/ACB), Raipur, District Raipur (C.G.), for the offences punishable under Section 120-B of the Indian Penal Code, 1860 and Section 7(b) of the Prevention of Corruption Act, 1988. Subsequently, during the course of investigation, Sections 467, 468 and 471 of the IPC along with Section 8 of the Prevention of Corruption Act, 1988 were also added. The applicant was arrested on 04.05.2026 and has remained in continuous judicial custody since then.
2. The present application emanates from and assails the order passed by the learned Special Judge (Prevention of Corruption Act), Raipur, whereby the prayer of the applicant seeking regular bail has been declined.

Case of Prosecution :

3. The prosecution case, as it unfolds from the material collected during investigation, is rooted in allegations of a well-organized and systematic corruption racket operating within the functioning of the Chhattisgarh State Marketing

Corporation Limited (CSMCL), wherein the present applicant is alleged to have played a central and influential role. It is the prosecution's specific case that the co-accused Anwar Dhebar, by virtue of his political stature and influence, exercised undue control over the administrative and financial processes of CSMCL and misused such influence to orchestrate the clearance of bills of certain manpower supply agencies in exchange for illegal gratification.

4. According to the prosecution, the modus operandi of the alleged conspiracy involved the imposition of a fixed percentage of commission on the bills submitted by manpower agencies engaged with CSMCL. It is alleged that the applicant, acting in concert with co-accused persons, particularly Naveen Pratap Singh Tomar, who was functioning as Deputy General Manager and in-charge Managing Director of CSMCL, ensured that no bills were cleared unless the concerned agencies paid the demanded commission. The prosecution asserts that Siddharth Singhania and Naveen Pratap Singh Tomar acted as key intermediaries in this arrangement, facilitating the collection, consolidation, and subsequent transfer of illegal proceeds to the applicant. The entire process is alleged to have been carried out in a

clandestine yet structured manner, thereby constituting a criminal conspiracy.

- 5.** It is further alleged that the co-accused Anwar Dhebar not only received such commission amounts but also actively influenced the escalation of the rate of commission beyond what was previously prevalent. The prosecution contends that, apart from the standard commission allegedly being extracted, an additional portion of the service charges payable to the manpower agencies was also siphoned off under the guise of commission at the behest of the applicant. This, according to the prosecution, demonstrates a deliberate and calculated abuse of power aimed at deriving pecuniary advantage through illegal means.
- 6.** A significant development in the prosecution case arises from the intervention of the Enforcement Directorate (ED), which, during the course of its investigation under the provisions of the Prevention of Money Laundering Act, 2002, unearthed substantial evidence pointing towards corrupt practices within CSMCL. A formal communication dated 05.12.2023 (F. No. ECIR/RPZO/05/2023/678) was addressed by the Deputy Director of the Enforcement Directorate, Raipur, to the Director General of Police, Chhattisgarh, under Section 66(2) of the PMLA, sharing details of predicate offences disclosed

during the money laundering investigation and requesting registration of an FIR and initiation of action by the Anti-Corruption Bureau.

7. The prosecution heavily relies upon the events dated 29.11.2023, when a search operation conducted by the Enforcement Directorate under Section 17 of the PMLA led to the interception of a cash transaction amounting to Rs. 28.80 lakhs near the office premises of CSMCL. It is alleged that two individuals, namely Abhishek Kumar Singh and Tejram Nirmalkar, employees of M/s Eagle Hunter Solutions Limited, a manpower supplying agency, were apprehended while attempting to hand over the said cash to Devansh Devangan and Jitendra Kumar Nirmalkar. A detailed panchnama was drawn at the spot, and the cash along with mobile phones was seized.
8. During interrogation, the said individuals purportedly disclosed that the amount constituted illegal gratification demanded for facilitating the clearance of pending bills of their company. It was revealed that Abhishek Kumar Singh had been instructed by a senior employee, Neeraj Kumar, to deliver the cash to representatives of Naveen Pratap Singh Tomar. Further statements recorded under Section 50 of the PMLA indicated that the bribe receivers were acting under the

directions of one Lokeshwar Prasad Sinha, proprietor of M/s Fortune Buildcon, who in turn had been instructed by Tomar to arrange for the collection of cash.

- 9.** The prosecution case further elaborates that M/s Eagle Hunter Solutions Limited had submitted bills amounting to approximately Rs. 3.43 crores to CSMCL, and in order to secure clearance of the same, they were compelled to pay a bribe calculated at approximately 8% of the bill value, i.e., Rs. 29.40 lakhs. It is alleged that this demand was accompanied by explicit threats that the bills would not be processed unless the payment was made. In furtherance of this demand, the amount was withdrawn from the company's bank account on 29.11.2023, out of which Rs. 60,000 was retained by the operations manager and the remaining Rs. 28.80 lakhs was handed over for delivery to the designated recipients.
- 10.** The prosecution also places reliance on electronic evidence in the form of call detail records, chat transcripts, and other digital communications retrieved from the seized mobile devices, which allegedly corroborate the existence of a coordinated network engaged in the collection and distribution of illegal gratification. Statements of various witnesses and accused persons, recorded in the presence of independent witnesses, are stated to further substantiate the

allegations of extortion and abuse of official position. On the basis of the material collected by the Enforcement Directorate, it is the prosecution's case that Naveen Pratap Singh Tomar, being a public servant, abused his official position to obtain undue pecuniary advantage, thereby attracting provisions of the Prevention of Corruption Act, 1988. The ED also indicated the possible involvement of higher-level functionaries within CSMCL, suggesting that the corruption was not isolated but systemic in nature. Consequently, acting upon the information shared by the Enforcement Directorate under Section 66(2) of the PMLA, the State Economic Offences Investigation Bureau/Anti-Corruption Bureau, Raipur, initiated further investigation into the predicate offences. The present applicant is alleged to be a principal beneficiary and key conspirator in the said illegal scheme, having received or being intended to receive the illicit proceeds generated through coercive extraction of commission from manpower contractors.

- 11.** In sum, the prosecution seeks to establish that the applicant, in active connivance with co-accused Anwar Dhebar, public servants and private intermediaries, engineered a corrupt mechanism whereby official processes were subverted for personal gain, thereby causing not only financial loss to the

State exchequer but also undermining the integrity of public administration.

Submission of Learned Counsel for the applicant :

12. Learned counsel for the applicant submits that the present applicant is neither named in the FIR nor alleged to have committed any overt act therein, and his implication has arisen only during the course of investigation on the basis of vague and generalised allegations, without any foundational material connecting him to the alleged offences. It is further submitted that the investigation qua the Applicant stands concluded, the charge-sheet has already been filed on 18.05.2026, and therefore no custodial interrogation is pending. The continued incarceration of the Applicant, in these circumstances, serves no investigative purpose and amounts to pre-trial punishment, which is impermissible in law. He submits that a bare perusal of FIR No. 0044/2024 reveals that the entire prosecution case is founded upon an alleged interception dated 29.11.2023 involving seizure of cash, wherein specific named individuals have been alleged to have withdrawn, transported, and delivered the said amount. Significantly, the name of the present Applicant does

not figure anywhere in the FIR, nor is there any allegation attributing to him any role, overt act, instruction, or participation in the alleged incident. It is submitted that the prosecution has subsequently attempted to improve its case by introducing vague assertions of “management-level knowledge of commission arrangement”, which by no stretch of law can constitute a criminal offence. It is a settled principle that criminal liability cannot be fastened on the basis of association or general knowledge alone, and there must exist clear and specific allegations of participation supported by material evidence. In this regard, reliance is placed upon the judgment of the Hon’ble Supreme Court in **Sunil Bharti Mittal v. Central Bureau of Investigation (2015) 4 SCC 609**, wherein it has been held that mere position or designation in a company cannot lead to criminal prosecution unless specific overt acts are attributed demonstrating active participation in the alleged offence.

- 13.** It is submitted that the addition of serious penal provisions under Sections 467, 468 and 471 IPC and Section 8 of the Prevention of Corruption Act is wholly mechanical and unsupported by any independent material qua the Applicant. It is submitted that the essential ingredients of forgery require the existence of a forged document and the involvement of

the accused in its creation or use with knowledge of its falsity. In the present case, no document has been identified which bears the signature, instruction, or involvement of the Applicant. It is further submitted that the FSL report, as reflected in the charge-sheet, is recorded as NIL, thereby negating the existence of any forensic support for allegations of forgery. Similarly, there is no allegation that the Applicant gave, offered, or facilitated any undue advantage to any public servant, which is a sine qua non for invocation of Section 8 of the PC Act. The prosecution record is completely silent on any payment instruction, financial transaction, meeting, communication, or overt act attributable to the Applicant.

- 14.** It is further stated that the allegation of criminal conspiracy under Section 120-B IPC is equally unsustainable in law, as the prosecution has failed to establish any agreement between the Applicant and any co-accused or public servant to commit an illegal act. The entire case against the Applicant is premised only on alleged “knowledge” of a commission arrangement, which does not satisfy the essential ingredient of conspiracy. It is a well-settled principle of law that the essence of conspiracy lies in the agreement between two or more persons to commit an illegal act or a legal act by illegal

means, and mere knowledge or association is insufficient. In **State (NCT of Delhi) v. Navjot Sandhu (2005) 11 SCC 600**, the Hon'ble Supreme Court has categorically held that suspicion, association, or passive knowledge cannot substitute the requirement of agreement, which is the foundation of conspiracy. It is stated that the prosecution's allegation that the Applicant benefited from the alleged transactions is factually incorrect and legally unsustainable. The Applicant holds no shareholding in either Eagle Hunter Solutions Limited or Alert Commandos Pvt. Ltd., and therefore has no entitlement to any profit, dividend, or financial gain arising from the operations of the said companies. It is submitted that the allegation of "benefit" is based on conjecture and assumption rather than any documentary or financial evidence. In the absence of any proof of direct financial gain, recovery, or transfer of funds to the Applicant, the allegation of benefit remains wholly speculative. It is submitted that the Applicant was not part of the management or directorial control of Eagle Hunter Solutions Limited during the relevant period of alleged occurrence. The certified MCA records clearly establish that the Applicant resigned from the post of Whole-Time Director on 18.02.2020, which is at the inception of the alleged period

of wrongdoing. He remained outside the management until his reappointment much later, after the registration of the FIR. Thus, for the substantial and material period of the alleged conspiracy, the Applicant had no role, authority, or involvement in the day-to-day functioning of the company.

15. Learned counsel further submits that it is an admitted position that neither Eagle Hunter Solutions Limited nor Alert Commandos Pvt. Ltd. has been arrayed as an accused in the present case. In view of the settled law laid down by the Hon'ble Supreme Court in **Aneeta Hada v. Godfather Travels & Tours Pvt. Ltd. (2012) 5 SCC 661**, it is a fundamental requirement that where an offence is alleged to have been committed by a company, the company must first be arraigned as an accused before its officers can be prosecuted. The absence of the companies as accused renders the prosecution against their officers fundamentally defective and legally unsustainable. It is stated that the arrest of the Applicant on 04.05.2026, after a delay of more than 18 months from the registration of FIR, despite full cooperation with the investigating agency, is contrary to the guidelines laid down by the Hon'ble Supreme Court in **Arnesh Kumar v. State of Bihar (2014) 8 SCC 273**. The Applicant had consistently appeared before the investigating agency

pursuant to summons and fully cooperated with the investigation.

16. It is submitted that arrest is not to be made in a routine or mechanical manner, particularly when the accused is cooperating and custodial interrogation is not required. The charge-sheet has already been filed and investigation qua the Applicant is complete. All relevant documentary evidence, including financial records, invoices, bank statements, and tender documents, were already in the possession of the investigating agency even prior to arrest. No recovery is pending, and no custodial interrogation is required. The Hon'ble Supreme Court in **Sanjay Chandra v. CBI (2012) 1 SCC 40** and **Satender Kumar Antil v. CBI (2022) 10 SCC 51** has held that once investigation is complete and charge-sheet is filed, continued detention of the accused is not justified unless required for trial purposes. It is further stated that the Applicant has throughout cooperated with the investigation, appeared before the authorities whenever summoned, and has never attempted to evade the process of law. One of the accused namely Siddharth Singhania has been made a witness in the case, against whom specific allegations were made. There is no allegation that the Applicant has influenced witnesses, tampered with evidence,

or absconded at any stage. Such consistent cooperation is a relevant and material factor for grant of bail as held in **Dataram Singh v. State of U.P. (2018) 3 SCC 22.**

17. Reliance has been placed on the judgments of the Hon'ble Supreme Court in **Sanjay Chandra (Supra), Arnesh Kumar (Supra), Dataram Singh v. State of U.P. (2018) 3 SCC 22, Satender Kumar Antil v. CBI (2022) 10 SCC 51, P. Chidambaram v. Directorate of Enforcement (2020) 13 SCC 791, Navjot Sandhu (Supra), Sunil Bharti Mittal (Supra), and Aneeta Hada (Supra)**, which collectively lay down that bail is the rule and jail is the exception, and that personal liberty under Article 21 cannot be curtailed without compelling necessity. In view of the aforesaid facts and circumstances, it is most respectfully prayed that this Court may be pleased to grant regular bail to the Applicant.
18. Learned State Counsel submits that the instant application for grant of bail under Section 483 of the BNSS, 2023 has been preferred by the applicant against his arrest dated 04.05.2026 in connection with Crime No. 44/2024 registered at Police Station EOW/ACB, Raipur, District Raipur, for the offences punishable under Sections 7(b) and 8 of the Prevention of

Corruption Act, 1988 (as amended in 2018), and Sections 467, 468, 471 and 120-B of the Indian Penal Code. It is submitted that the applicant, namely Ajay Lohia, is the Director of Eagle Hunter Solution Limited and Alert Commandos Private Limited, both engaged in manpower and security supply services and providing manpower to the Chhattisgarh State Marketing Corporation Limited (CSMCL) for operation of liquor shops in the State of Chhattisgarh. The present case pertains to a large-scale, well-organized and deeply entrenched corruption racket involving illegal extraction and siphoning of huge public funds under the guise of overtime payment, bonus, additional working days and service charges, wherein inflated and manipulated bills were raised and processed though the corresponding amounts were not disbursed to the concerned employees, and the same were instead retained by manpower agencies and routed as commission or cut money to a syndicate comprising co-accused persons including Anwar Dhebar, Arun Pati Tripathi, Siddharth Singhanian and others. It is further submitted that the applicant's companies functioned under a common operational structure, and as per his own memorandum, Alert Commandos Private Limited was taken over by his father B.R. Lohia in 2016 and functions as a

subsidiary of Eagle Hunter Solution Limited, with both companies being controlled and managed jointly in respect of their operations in Chhattisgarh. The investigation reveals that in 2019, co-accused Arun Pati Tripathi, then Managing Director of CSMCL, convened a meeting of manpower agencies wherein it was directed that all agencies would act under instructions of Siddharth Singhania, failing which adverse consequences would follow, and further that even appointment of employees and field staff was controlled through the said syndicate. The normal procedure of salary disbursement based on attendance and muster rolls was bypassed by inflating claims under overtime and other heads without actual payment to employees, thereby generating illegal funds which were diverted through a structured commission mechanism. The memorandum of the applicant discloses that commission was systematically calculated on service charge, overtime and fixed components, and routed through intermediaries including V.K. Rai and Neeraj Chaudhary before being ultimately delivered to the syndicate led by Siddharth Singhania and further distributed to co-accused Arun Pati Tripathi and Anwar Dhebar.

- 19.** It is further submitted that after the arrest of co-accused Arun Pati Tripathi in May 2023, the commission structure was

enhanced from 25% to 33% on overtime components at the instance of co-accused Anwar Dhebar, demonstrating continuity and escalation of the illegal arrangement. The total amounts involved run into several crores, with Eagle Hunter Solution Limited alone receiving approximately Rs. 33.45 crores and both companies collectively receiving approximately Rs. 48.08 crores under the heads of overtime, bonus, additional working days and service charges, out of which approximately Rs. 13.58 crores was paid as illegal commission to the syndicate, while the remaining amount constituted wrongful gain arising out of manipulated billing. The material collected during investigation, including statements of witnesses from CSMCL and Excise Department, clearly establishes that inflated overtime claims were processed without proper scrutiny under directions of senior officials and that the illegal proceeds were routed to the syndicate.

- 20.** It is further submitted that co-accused Anwar Dhebar's bail application has already been rejected by this Court considering his central role in the conspiracy. The present case involves a grave economic offence of huge magnitude affecting public funds and governance, involving deep-rooted conspiracy and multiple layers of financial transactions.

Considering the gravity of allegations, magnitude of offence, role of the applicant, and ongoing investigation into money trail and proceeds of crime, there exists a strong apprehension that the applicant, if released on bail, may influence witnesses, tamper with evidence and obstruct investigation. In view of the settled position of law laid down by the Hon'ble Supreme Court in ***Y.S. Jagan Mohan Reddy v. CBI 2013 (7) SCC 439, Nimmagadda Prasad v. CBI 2013 (7) SCC 466 and Mahipal v. Rajesh Kumar 2020 (2) SCC 118***, it is submitted that the applicant is not entitled to grant of bail and the bail application deserves to be rejected.

- 21.** I have heard learned counsel for the parties at length and perused the case diary, charge-sheet material and the documents placed on record.
- 22.** The present application has been preferred under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 seeking regular bail in connection with Crime No. 44/2024 registered by the Economic Offences Wing/Anti-Corruption Bureau, Chhattisgarh, for offences punishable under Section 120-B IPC and Sections 7(b) and 8 of the Prevention of Corruption Act, 1988, wherein subsequently, after filing of charge-sheet, offences under Sections 420, 467, 468 and 471 IPC and

Section 12 of the Prevention of Corruption Act have also been incorporated.

- 23.** At the outset, this Court is conscious of the settled principles governing consideration of bail under Section 483 BNSS. While adjudicating a prayer for bail, the Court is not expected to undertake a meticulous examination of evidence as would be done during trial; nevertheless, the Court is required to assess whether a prima facie case exists, the nature and gravity of accusation, the role attributed to the accused, the possibility of tampering with evidence, likelihood of influencing witnesses and the larger societal impact of the alleged offence.
- 24.** The Hon'ble Supreme Court in the matter of ***Kalyan Chandra Sarkar v. Rajesh Ranjan, reported in (2004) 7 SCC 528*** has authoritatively held that while considering bail, the Court must take into account the nature of accusation, severity of punishment, character of evidence, possibility of securing presence of the accused and reasonable apprehension of witnesses being influenced. The Apex Court observed that grant of bail is a matter involving judicial discretion to be exercised cautiously and not mechanically. It was held thus :

“11. The law in regard to grant or refusal of bail is very well settled. The court granting bail should

exercise its discretion in a judicious manner and not as a matter of course. Though at the stage of granting bail a detailed examination of evidence and elaborate documentation of the merit of the case need not be undertaken, there is a need to indicate in such orders reasons for prima facie concluding why bail was being granted particularly where the accused is charged of having committed a serious offence. Any order devoid of such reasons would suffer from non-application of mind. It is also necessary for the court granting bail to consider among other circumstances, the following factors also before granting bail; they are:

(a) The nature of accusation and the severity of punishment in case of conviction and the nature of supporting evidence.

(b) Reasonable apprehension of tampering with the witness or apprehension of threat to the complainant.

(c) Prima facie satisfaction of the court in support of the charge.”

- 25.** From a careful consideration of the FIR, the charge-sheet, the case diary and the material placed on record, this Court finds that the applicant occupies a position materially different from the principal accused against whom the prosecution has attributed the primary role in the alleged conspiracy. The FIR dated 05.10.2024, which constitutes the foundation of the prosecution, has been registered primarily on the basis of the communication forwarded by the Enforcement Directorate under Section 66(2) of the Prevention of Money Laundering Act and the interception dated 29.11.2023, wherein cash amounting to Rs.28.80 lakhs was seized near the office premises of CSMCL. Significantly, the present applicant does not find mention in the FIR. Neither any overt act nor any direct allegation of having demanded, accepted, received or facilitated payment of illegal gratification has been attributed to him in the FIR. The prosecution itself proceeds on the premise that the alleged cash transaction involved certain employees of M/s Eagle Hunter Solutions Limited and certain intermediaries. Thus, at the inception of the criminal

proceedings, the applicant was not considered to be one of the principal actors in the alleged transaction.

- 26.** The subsequent implication of the applicant during investigation appears to rest substantially upon statements alleging that he possessed management-level knowledge regarding the alleged commission arrangement. However, mere knowledge of an alleged illegal activity, howsoever strongly suspected, cannot by itself satisfy the legal ingredients of criminal conspiracy under Section 120-B IPC. The essence of conspiracy is the existence of an agreement between two or more persons to commit an illegal act or a legal act by illegal means. Unless there exists prima facie material demonstrating conscious participation in such agreement, criminal liability cannot be inferred merely from managerial association or corporate position.
- 27.** The Hon'ble Supreme Court in *State (NCT of Delhi) v. Navjot Sandhu*, reported in *(2005) 11 SCC 600*, has categorically held that suspicion, association or knowledge cannot substitute proof of agreement, which constitutes the foundation of the offence of conspiracy.
- 28.** This Court further notices that although the applicant is associated with M/s Eagle Hunter Solutions Limited and Alert Commandos Pvt. Ltd., neither of these corporate entities has

been arraigned as an accused in the present prosecution. The prosecution has not alleged that either of the companies, as juristic entities, committed the alleged offences. More importantly, the charge-sheet itself does not disclose any material showing that Alert Commandos Pvt. Ltd. ever paid any cash commission to the alleged syndicate or participated in the alleged illegal arrangement. On the contrary, the investigation records reveal that the bank accounts of both the companies already stand frozen, thereby securing all relevant financial records and substantially eliminating any possibility of tampering with documentary evidence.

- 29.** The material placed before this Court also *prima facie* indicates that the applicant was not even occupying the position of Whole-Time Director of Eagle Hunter Solutions Limited during the substantial period of the alleged conspiracy. The records produced from the Ministry of Corporate Affairs demonstrate that the applicant resigned as Whole-Time Director on 18.02.2020. The prosecution itself alleges that the alleged mechanism continued between 2019 and 2023. Consequently, during a substantial part of the relevant period, the applicant was admittedly not in executive management of Eagle Hunter Solutions Limited. This circumstance, though ultimately a matter to be tested during

trial, certainly weakens the prosecution's assertion that the applicant continuously supervised or controlled the alleged commission mechanism.

30. Equally significant is the fact that the applicant admittedly holds no equity shares in either Eagle Hunter Solutions Limited or Alert Commandos Pvt. Ltd. Therefore, the allegation that he personally derived financial benefit from the alleged arrangement presently remains unsupported by any documentary material demonstrating receipt of illegal proceeds. No recovery of any incriminating amount has been effected from the applicant. No bank transaction, cash trail or financial document has been brought to the notice of this Court at this stage connecting the applicant with receipt of the alleged commission amounts.
31. Insofar as criminal liability arising from the affairs of a company is concerned, the Hon'ble Supreme Court in ***Sunil Bharti Mittal v. Central Bureau of Investigation, (2015) 4 SCC 609***, has authoritatively held that directors or officers of a company cannot be prosecuted solely because of the office held by them unless there exist specific allegations demonstrating their individual role and active participation in the commission of the offence. Criminal liability is personal and cannot be fastened merely by virtue of designation. The

Court observed that vicarious criminal liability cannot be inferred unless specifically provided by statute or unless clear material exists showing the individual's direct involvement. At this stage, the material against the present applicant appears to be substantially founded upon his corporate association rather than any specific overt act attributable to him.

- 32.** Furthermore, this Court also finds substance in the submission that although serious offences under Sections 467, 468 and 471 IPC have subsequently been incorporated, the prosecution has not placed any independent material indicating that the applicant either prepared any forged document, participated in fabrication of any record or knowingly used any forged document as genuine. Likewise, there is presently no independent material indicating that the applicant personally offered or paid any undue advantage so as to prima facie attract the ingredients of Section 8 of the Prevention of Corruption Act. Whether these allegations ultimately stand established shall necessarily be determined upon appreciation of evidence during trial.
- 33.** Another circumstance which cannot be overlooked is that one Siddharth Singhania, who according to the prosecution material was allegedly the principal channel between manpower agencies and the government functionaries and

whose name repeatedly appears in statements recorded during investigation, has subsequently been treated as a prosecution witness. Without expressing any opinion regarding the evidentiary value of such statements, this circumstance undoubtedly assumes relevance while assessing the comparative role attributed to the present applicant at the stage of consideration of bail.

34. The Hon'ble Supreme Court in ***Sunil Bharti Mittal v. Central Bureau of Investigation, (2015) 4 SCC 609***, has emphatically reiterated that criminal law proceeds on the principle of personal culpability. A person occupying the position of Director or officer of a company cannot be made criminally liable merely because of his official designation unless the prosecution discloses specific material showing his individual participation in the commission of the alleged offence. The Apex Court held that in criminal jurisprudence there is no concept of automatic or deemed criminal liability of directors unless the statute specifically provides for such vicarious liability or unless the complaint itself attributes distinct overt acts to such individual. The ratio laid down therein lends considerable support to the present applicant, particularly when the prosecution has not arraigned either company as an accused and has also failed, at least prima

facie, to identify any specific act personally committed by the applicant in furtherance of the alleged conspiracy.

- 35.** Upon evaluation of the material presently available, this Court finds that the prosecution seeks to attribute criminal liability to the applicant primarily on the basis that he allegedly possessed knowledge regarding the commission arrangement. Mere knowledge, however, even if assumed to be true for the purposes of considering bail, does not by itself establish participation in a criminal conspiracy. There must exist prima facie material indicating an agreement or meeting of minds amongst the conspirators. Such foundational material presently appears to be absent insofar as the applicant is concerned.
- 36.** This Court further notices that initially the FIR was registered only under Section 120-B IPC and Section 7(b) of the Prevention of Corruption Act. The subsequent incorporation of Sections 467, 468 and 471 IPC has not been supported by any independent material specifically connecting the applicant with the alleged forgery. The prosecution has also failed to demonstrate any document alleged to have been forged by the applicant or any forged document knowingly used by him. These aspects undoubtedly constitute matters for trial; nevertheless, at the stage of considering bail, the

Court cannot ignore the apparent absence of specific incriminating material directly attributable to the applicant.

- 37.** Another important circumstance favouring the applicant is that the investigation already stands concluded and the charge-sheet has admittedly been filed on 18.05.2026. Consequently, the entire documentary evidence, bank records, electronic material and statements of witnesses have already been collected by the investigating agency. The prosecution has not pointed out any further custodial interrogation which remains necessary. No recovery remains to be effected from the applicant. All relevant documents are already in the custody of the investigating agency and the bank accounts of the concerned companies have also been frozen.
- 38.** It is equally noteworthy that despite registration of the FIR on 05.10.2024, the applicant was arrested only on 04.05.2026, more than eighteen months thereafter. During this entire period, the applicant admittedly responded to the summons issued by the investigating agency and cooperated with the investigation. His arrest took place when he voluntarily appeared before the office of the Economic Offences Wing. There is no allegation that the applicant absconded, attempted to evade investigation or violated any direction issued by the investigating agency.

39. The Hon'ble Supreme Court in ***Sanjay Chandra v. CBI, (2012) 1 SCC 40***, has observed that the object of bail is to secure the attendance of the accused during trial and not to inflict punishment before conviction. The Court held that once investigation is complete and the accused is no longer required for custodial interrogation, continued detention should not ordinarily be resorted to unless justified by compelling circumstances.
40. Similarly, in ***Dataram Singh v. State of Uttar Pradesh, (2018) 3 SCC 22***, the Supreme Court reiterated that grant of bail is the general rule while refusal is an exception and that every accused enjoys the presumption of innocence until proven guilty. The Court further emphasized that deprivation of liberty before conviction must be justified by substantial reasons.
41. Again, in ***Satender Kumar Antil v. Central Bureau of Investigation, (2022) 10 SCC 51***, the Hon'ble Supreme Court exhaustively considered the principles governing arrest and bail and held that where investigation has been completed, charge-sheet has been filed and the accused has cooperated throughout the investigation, unnecessary incarceration should ordinarily be avoided, keeping in view

the constitutional mandate under Article 21 of the Constitution of India.

- 42.** The constitutional significance of personal liberty was also reiterated in *P. Chidambaram v. Directorate of Enforcement, (2020) 13 SCC 791*, wherein the Apex Court held that even in cases involving serious economic offences, the gravity of allegations alone cannot be the sole ground for denial of bail and the Court is required to balance the interests of investigation with the valuable right to personal liberty guaranteed under Article 21 of the Constitution of India.
- 43.** Viewed cumulatively, the applicant is not named in the FIR; no specific overt act has been attributed to him in the foundational allegations; the investigation has concluded; the charge-sheet has already been filed; custodial interrogation is no longer required; documentary evidence already stands secured; the applicant has cooperated with the investigation throughout; and there is no material indicating that he attempted to abscond or tamper with evidence. These circumstances, read in the light of the principles laid down by the Hon'ble Supreme Court, persuade this Court to hold that the continued incarceration of the applicant is not warranted solely for the purpose of trial.

44. Furthermore, the Hon'ble Supreme Court in the recent matter of *Arvind Dham v. Directorate of Enforcement 2026 SCC OnLine SC 30* has held as under:-

“16. A two-Judge Bench of this Court in V. Senthil Balaji v. Deputy Director, Enforcement Directorate, 2024 SCC OnLine SC 2626 case has held that under the statutes such as PMLA, where maximum sentence is seven years, prolonged incarceration pending trial may warrant grant of bail by Constitutional Courts, if there is no likelihood of the trial concluding within a reasonable time. Statutory restrictions cannot be permitted to result in indefinite pretrial detention in violation of Article 21.

17. A three Judge Bench of this Court in Padam Chand Jain (supra), reiterated that prolonged incarceration cannot be allowed to convert pretrial detention into punishment and that documentary evidence already seized by the prosecution eliminates the possibility of tampering with the same.

18. The right to speedy trial, enshrined under Article 21 of the Constitution, is not eclipsed by the nature of the offence. Prolonged incarceration of an undertrial, without commencement or reasonable progress of trial, cannot be countenanced, as it has the effect of converting pretrial detention into form of punishment. Economic offences, by their very

nature, may differ in degree and fact, and therefore cannot be treated as homogeneous class warranting a blanket denial of bail.”

- 45.** Having regard to the totality of the facts and circumstances of the case; the nature of accusations; the specific role attributed to the present applicant; the fact that he is not named in the FIR; the completion of investigation and filing of the charge-sheet; the absence of any further requirement of custodial interrogation; the documentary evidence already being in the custody of the investigating agency; the applicant's continuous cooperation during investigation; the principles governing grant of bail laid down by the Hon'ble Supreme Court in *Arvind Dham (Supra)*, *Kalyan Chandra Sarkar (Supra)*, *Sanjay Chandra (Supra)*, *Dataram Singh (Supra)*, *Satender Kumar Antil (Supra)*, *P. Chidambaram (Supra)* and *Sunil Bharti Mittal (Supra)* and without expressing any opinion on the merits of the case, this Court is of the considered opinion that the applicant has made out a fit case for grant of regular bail.
- 46.** Accordingly, the applicant is directed to be released on bail on his furnishing a personal bond in the sum of **Rs.10,00,000/- (Rupees Ten Lakhs only)** with **two sureties** in the like amount to the satisfaction of the concerned Trial Court, subject to the following conditions:

(i) The applicant shall not directly or indirectly make any inducement, threat or promise to any person acquainted with the facts of the case so as to dissuade such person from disclosing the facts before the Court or any investigating authority.

(ii) The applicant shall surrender his passport, if any (if not already surrendered), before the concerned Trial Court and shall not leave the territory of India without prior permission of the said Court.

(iii) The applicant shall remain present before the Trial Court on each and every date fixed unless exempted in accordance with law.

(iv) The applicant shall not indulge in any act which may delay or prejudice the fair conduct of the trial.

(v) The applicant shall continue to cooperate with the investigating agency as and when required in accordance with law.

(vi) In the event of violation of any of the aforesaid conditions, it shall be open to the State to seek cancellation of bail in accordance with law.

(vii) In addition, the appellant will provide one telephone/mobile No. on which he can be contacted by the concerned Officials to ascertain his whereabouts while he is on bail.

- 47.** It is clarified that the observations recorded hereinabove are purely for the limited purpose of adjudicating the present application for grant of bail and shall not be construed as an expression of opinion on the merits of the case. The concerned Trial Court shall proceed independently and decide the case solely on the basis of the evidence that may be adduced before it, uninfluenced by any observation contained in the present order.
- 48.** Accordingly, the bail application is **disposed of** in the aforesaid terms.

Sd/-

**(Amitendra Kishore Prasad)
Judge**

Vishakha