



2026:CGHC:27547

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HIGH COURT OF CHHATTISGARH AT BILASPUR

MCRC No. 4981 of 2026

Order Reserved on 24.06.2026

Order Delivered on 03.07.2026

1 - Amit Mittal S/o Late Rajendra Kumar Mittal Aged About 58 Years R/o Flat No. T G - 2 B/4, Garden Estate, Near Guru Dronacharya Metro Station, District Gurgaon, Haryana - 122002.

... Applicant

versus

1 - State Of Chhattisgarh Through Police Station In-Charge Police Station - A C B/ E O W Raipur, District - Raipur (C.G.)

... Respondent(s)

(Cause-title is taken from Case Information System)

For Applicant : Mr. Sunil Otwani, Senior Advocate
appears along with Mr. Arun Gaur, Mr.
Atul Kumar, Mr. Himasnhu Pandey & Mr.
Mayank Sharma, 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 influential role along with co-accused person. 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 person namely Anwar Dhebar, 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 Singhanian 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 person namely 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 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, assailing the legality of the prosecution and the continued incarceration of the Applicant, has advanced elaborate and multifaceted submissions. It is contended that the very institution of the present FIR (commonly referred to as the “Manpower FIR”) constitutes a gross abuse of the process of law. It is submitted that the allegations, transactions, and factual substratum forming the basis of the present FIR are substantially identical to those already investigated in FIR No. 04 of 2024 (the “Liquor FIR”), wherein multiple charge-sheets have been filed. The initiation of a second FIR on the same set of facts is argued to be impermissible in law and violative of the constitutional protection against double jeopardy enshrined under Article 20(2) of the Constitution of India. Reliance is placed upon

authoritative pronouncements including **T.T. Antony v. State of Kerala, reported in (2001) 6 SCC 181** and **Amitbhai Shah v. CBI, reported in (2013) 6 SCC 348**, wherein it has been unequivocally held that a second FIR on the same cause of action is unsustainable.

13. Developing the said submission further, learned counsel argues that the present FIR is not only based on the same material, accused persons, and transactions, but is in fact a mere offshoot or consequence of the earlier Liquor FIR. The alleged commission from manpower agencies is intrinsically linked to, and arises out of, the broader allegations of illegal financial operations within the Chhattisgarh State Marketing Corporation Limited (CSMCL), which are already under investigation in the Liquor FIR. The doctrine of sameness of transaction, as elucidated in **C. Muniappan v. State of Tamil Nadu, reported in (2010) 9 SCC 567**, is invoked to contend that no separate investigation or prosecution can be sustained where the offences arise out of the same transaction.
14. It is contended that the present applicant was called by the concerned police on two occasions, and he duly appeared before them for interrogation. After questioning, as no incriminating material was found against him, he was neither

arrested nor detained and was permitted to leave. However, when he was again called by the police on 04.05.2026, he was arrested without there being any fresh material or evidence against him. It is further submitted that the applicant is one of the Directors of **A2Z Infraservice Limited**, which was awarded the manpower supply contract by CSMCL. The company has as many as five Directors, yet without assigning any specific overt act or criminal role to the present applicant, he has been arrayed as an accused. Learned counsel submits that the entire work of the company at Raipur was being managed by co-accused **Mr. N. Uday Rao**, who was functioning as the authorised representative/agent of A2Z Infraservice Limited. He was entrusted with the responsibility of managing the entire affairs of the company in relation to the CSMCL contract by virtue of a resolution passed by the Board of Directors in its meeting held on 15.09.2020. As per the said resolution, **Mr. Sushil Kumar** was the authorised signatory, whereas **Mr. N. Uday Rao** was entrusted with the responsibility of carrying out and supervising the entire work relating to the CSMCL project. He was the key person managing the entire gamut of operations. It is further submitted that the bank account bearing No. 409001228831, maintained for CSMCL operations, was exclusively operated

and controlled by Mr. N. Uday Rao. His mobile number and email ID were registered with the bank, and no transaction could be effected without his approval. The bills raised by Mr. N. Uday Rao were duly certified by the officials of CSMCL. Thus, according to the prosecution's own charge-sheet, the entire work alleged therein appears to have been carried out by Mr. N. Uday Rao.

15. It is also argued that despite the allegations being directed against the functioning of the company, **A2Z Infraservice Limited** itself has not been made an accused. Instead, for reasons best known to the prosecution, only the Directors of the company have been implicated in the present case without attributing any specific criminal act to the applicant. It is submitted that the allegation in the FIR is that, on the pretext of making overtime payments for extra working hours of the workmen, inflated bills were raised before CSMCL and the amounts were allegedly diverted towards payment of commission/bribes instead of being paid to the workers. However, till date, no payment towards overtime has ever been released by CSMCL to A2Z Infraservice Limited. There is not a single document forming part of the charge-sheet which demonstrates that any amount towards overtime wages was paid by CSMCL to the company. It is further

submitted that, even assuming the prosecution allegations to be correct for the sake of argument, the total working hours would approximately work out to 40–41 days in a month. However, the company raised bills only for 30 days in a month, and there is no anomaly whatsoever in the bills submitted. No overtime charges were ever claimed or calculated by the company. It is also contended that the record itself reflects that the company received only about ₹12 crores from NKJ, whereas CSMCL deducted approximately ₹12 crores as penalty from the company's dues. In addition, an amount of nearly ₹7 crores was withdrawn by Mr. N. Uday Rao from the company's account, as he was exclusively operating and maintaining the said account. Consequently, the company did not derive any financial benefit from the contract and, on the contrary, suffered substantial financial losses running into several crores of rupees in the execution of the aforesaid tender. Considering the aforesaid financial losses suffered by the company, it has already proposed to invoke arbitration proceedings against CSMCL for recovery of its legitimate dues.

- 16.** It is further submitted that the present applicant was not named in the FIR dated 05.03.2024. Subsequently, under the

guise of recording his statement during the course of investigation, the applicant was repeatedly called by the investigating agency and, at a later stage, was arrested without there being any material to indicate his involvement in the alleged offences. Learned counsel further submits that the applicant has extended complete cooperation to the investigating agency on five separate occasions—twice in response to notices and thrice pursuant to summons—which fact is duly reflected from the record. The applicant voluntarily appeared before the ACB/EOW on 04.05.2026 despite being fully aware of the possibility of his arrest, thereby demonstrating his bona fide conduct and willingness to cooperate with the investigation. Thus, there is no likelihood whatsoever of the applicant absconding or evading the process of law. It is also submitted that the applicant is a Director of a duly registered company having its registered office at Gurugram, Haryana. The company is engaged in large-scale manpower operations and employs approximately 10,000 persons across various projects. Therefore, the applicant is a permanent resident with deep social and professional roots and there is no possibility of his fleeing from justice.

17. It is further argued that the entire prosecution case rests upon documentary evidence, including tender documents, bank statements, invoices, contracts and other official records. At present, all such documents are either in the custody of the investigating agency or are otherwise part of the official records. Whenever the applicant was called by the ACB/EOW, he duly appeared and handed over all documents sought by the investigating agency. Therefore, no purpose would be served by his continued incarceration, as his custodial interrogation is no longer required. It is further submitted that there is no possibility of the applicant influencing the prosecution witnesses or tampering with the evidence. The applicant is a resident of Gurugram, Haryana, whereas the witnesses are primarily situated in Raipur and adjoining areas of the State of Chhattisgarh. Most of the witnesses are public servants or official witnesses, and therefore there is hardly any apprehension that the applicant would be in a position to influence or intimidate them. It is also submitted that the alleged offences pertain to the period from 2019 to 2022, whereas the FIR came to be registered only in the year 2024 after an unexplained delay of nearly two years. Learned counsel further submits that, in another case registered against the applicant under Section 406 of the IPC

read with Section 2(1)(b)/3 of the Essential Services Maintenance Act, the applicant has already challenged the FIR by filing a petition under Section 482 of the Code of Criminal Procedure before the Hon'ble High Court of Allahabad. The said petition is pending consideration, and by order dated 03.01.2025, the Hon'ble High Court has stayed the further proceedings arising out of the said FIR.

- 18.** Learned counsel for the applicant further submits that it is pertinent to note that no FIR has been registered against A2Z Infraservice Limited, the company which was awarded the manpower supply contract by CSMCL. Likewise, none of the officers or employees of the company who were directly involved in the day-to-day execution of the contract or preparation of the bills has been arrayed as an accused. Instead, the prosecution has selectively implicated certain Directors without attributing any specific overt act or criminal role to the present applicant. It is further submitted that there is hardly any cogent or legally admissible evidence on record to establish that the present applicant either paid or facilitated the payment of any commission or illegal gratification to any official of CSMCL or to any member of the alleged syndicate. The prosecution has failed to produce any bank transaction, financial trail, accounting record, electronic evidence or any

other independent material connecting the applicant with the alleged payment of commission. In the absence of any such incriminating material, the prosecution's allegation against the present applicant remains wholly speculative and unsupported by credible evidence.

19. Lastly, it is submitted that the applicant is suffering from a serious respiratory ailment, namely **Obstructive Sleep Apnoea**, since the year 2013, which necessitates continuous use of a CPAP machine during sleep. In the absence of such respiratory support, the applicant is exposed to a high risk of respiratory arrest, hypoxic brain injury and serious cardiac complications. Owing to the deterioration of his medical condition while in judicial custody, he has been shifted to the ICU Ward of Dr. Bhim Rao Ambedkar Memorial Hospital, Raipur, where he is presently on Non-Invasive Ventilation (NIV). His health condition is progressively deteriorating, and he requires constant specialised medical care.
20. In view of the aforesaid facts and circumstances, particularly the absence of any specific role attributed to the applicant, the documentary nature of the evidence, his complete cooperation with the investigation, the absence of any likelihood of absconding or tampering with evidence, and his serious medical condition, it is respectfully prayed that this

Hon'ble Court may be pleased to enlarge the applicant on regular bail on such terms and conditions as it may deem fit and proper. The applicant undertakes to cooperate with the trial and shall remain present before the Court as and when required.

21. A detailed chronology of events has been placed on record to demonstrate that each time the Applicant approached the threshold of release, a fresh arrest was effected by another agency or in another case. Such a practice, it is urged, has been deprecated by the Hon'ble Supreme Court in the matter of **Arvind Kejriwal v. CBI, reported in 2024 SCC OnLine SC 2550** and more recently in **Binay Kumar Singh v. State of Jharkhand 2026 SCC OnLine SC 208** wherein the Apex Court cautioned against the misuse of arrest powers to defeat the grant of bail. Reliance is placed upon the celebrated judgment in the matter of **Joginder Kumar v. State of U.P., reported in (1994) 4 SCC 260** as well as **Mohd. Zubair v. State (NCT of Delhi), reported in (2023) 16 SCC 764** and **Siddharth v. State of U.P., reported in (2022) 1 SCC 676**, to contend that arrest cannot be made in a routine or mechanical manner. Reliance is placed upon **Ram Sharan Chaturvedi v. State of M.P., reported in (2022) 16 SCC 166**, **Haricharan Kurmi v. State of Bihar, reported in 1964**

SCC OnLine SC 28, Prem Prakash v. UOI, reported in (2024) 9 SCC 787. Sanjay Chandra v. CBI, reported in (2012) 1 SCC 40 and Shri Gurbaksh Singh Sibbia v. State of Punjab, reported in (1980) 2 SCC 565.

Submissions of Learned State Counsel :

- 22.** Per contra, learned State Counsel vehemently opposes the prayer for grant of bail and submits that the present case pertains to a large-scale economic offence involving systematic siphoning of public funds through a well-orchestrated criminal conspiracy. It is submitted that the allegations are not confined to mere procedural irregularities but disclose a deep-rooted conspiracy whereby huge amounts of public money were fraudulently extracted in the name of overtime wages, bonus and additional working days, which were never actually paid to the employees. Learned State Counsel submits that the present applicant is not a mere sleeping Director of A2Z Infraservice Limited, but was one of the persons in overall control and management of the affairs of the company. Being a Director, he cannot escape criminal liability merely by shifting the entire responsibility

upon co-accused N. Uday Rao. The role attributed to the applicant is supported by documentary evidence collected during investigation, statements of material witnesses recorded under Section 180 of the BNSS and the memorandum statements of the co-accused persons. It is further submitted that the investigation has revealed that an amount of approximately Rs.34.06 crores was received by A2Z Infraservice Limited under the heads of overtime allowance, bonus, payment for additional working days and service tax, although the corresponding benefits were never passed on to the employees. Out of the said amount, approximately Rs.6.90 crores was paid as commission to the illegal syndicate headed by the principal conspirators. Thus, the applicant was an active participant in the illegal financial arrangement and was a beneficiary of the proceeds of crime.

- 23.** Learned State Counsel further submits that the contention that no overtime payment was released by CSMCL is contrary to the material collected during investigation. The documentary evidence, bank records, financial transactions and statements of the concerned officers clearly demonstrate that huge amounts were released under different financial heads and were subsequently diverted in furtherance of the conspiracy. It is further argued that merely because the

applicant was not named in the FIR does not entitle him to the benefit of bail. During investigation, sufficient material surfaced disclosing his active role in the commission of the offence and, therefore, he was rightly arrested after collection of incriminating evidence. It is well settled that an FIR is not expected to contain every minute detail regarding the role of each accused and that the investigation may subsequently reveal the involvement of other persons. Learned State Counsel further submits that the plea that co-accused N. Uday Rao was exclusively handling the affairs of the company cannot absolve the applicant of his criminal liability. The company acts through its Directors and responsible office bearers, and the applicant, being one of the Directors, was under a legal obligation to ensure that public funds received by the company were utilized for the purposes for which they were sanctioned. The attempt to shift the entire liability upon another co-accused is a matter of defence, which can only be adjudicated during trial.

- 24.** It is further submitted that the investigation is still in progress with regard to tracing the proceeds of crime, identifying other beneficiaries, recovering diverted funds and unearthing the larger conspiracy involving public officials and private entities. Several financial transactions are still under scrutiny and

certain co-conspirators are yet to be apprehended. Therefore, the custodial detention of the applicant is necessary to facilitate an effective and unhindered investigation.

- 25.** Learned State Counsel also submits that the applicant is a resident of Gurugram, Haryana, whereas the offence has been committed within the State of Chhattisgarh. In the event of his release, there is every likelihood that he may evade the process of law, influence witnesses, tamper with documentary evidence or coordinate with other accused persons who are yet to be apprehended. The possibility of obstructing further investigation cannot be ruled out. It is further submitted that economic offences involving public money constitute a distinct class of offences and are required to be viewed with greater seriousness. Such offences undermine public confidence in governmental institutions and have far-reaching consequences upon the financial health of the State. 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**, **P. Chidambaram v. Directorate of Enforcement (2020) 13 SCC 791** and **Mahipal v. Rajesh Kumar 2020 (2) SCC 118** has consistently held that economic offences involving deep-rooted conspiracies require a different approach while considering applications for bail.

- 26.** So far as the medical condition of the applicant is concerned, learned State Counsel submits that adequate medical treatment is being provided by the State authorities. The applicant is presently admitted in a Government Super Speciality Hospital and is receiving all necessary medical care under the supervision of specialist doctors. Therefore, his medical condition cannot be made a ground for grant of regular bail.
- 27.** Learned State Counsel lastly submits that considering the magnitude of the financial scam, the substantial loss caused to the public exchequer, the gravity of the allegations, the prima facie evidence collected during investigation and the active role attributed to the applicant, no case for grant of bail is made out. It is, therefore, prayed that the present bail application deserves to be rejected.
- 28.** I have heard learned counsel for the parties at length and perused the case diary, charge-sheet and other material and the relevant documents placed on record.
- 29.** 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.

30. 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.
31. 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.”

- 32.** The allegations in the present case disclose a deep-rooted and systematic corruption network allegedly operating within the functioning of the Chhattisgarh State Marketing Corporation Limited (CSMCL). The material collected during investigation, prima facie, indicates that manpower supply agencies were allegedly compelled to pay illegal commission for clearance of their legitimate dues and bills.
- 33.** Having bestowed anxious consideration to the rival submissions and upon careful perusal of the FIR, the charge-sheet, the case diary and the documents forming part of the investigation, this Court finds that the allegations against the present applicant require to be examined keeping in view the settled principles governing grant of bail under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023. At the stage of consideration of bail, the Court is not expected to conduct a meticulous appreciation of evidence as would be undertaken during trial. The Court is only required to examine

whether a prima facie case exists, the specific role attributed to the accused, the necessity of continued custodial detention and whether his release is likely to prejudice the investigation or the trial.

- 34.** It is not in dispute that the alleged transactions pertain to the period between 2019 and 2021, whereas the FIR came to be registered only on 05.10.2024. More importantly, the present applicant was admittedly not named in the FIR. Even after registration of the FIR, the investigating agency repeatedly summoned the applicant on several occasions. The record reveals that the applicant appeared before the Investigating Officer on 06.01.2026, 27.01.2026, 06.03.2026 and thereafter pursuant to further notices. On every occasion, he cooperated with the investigation, furnished the information sought and was permitted to leave without being arrested. Ultimately, the applicant was arrested only on 04.05.2026 when he voluntarily appeared before the Investigating Officer pursuant to summons. The conduct of the applicant throughout the investigation clearly demonstrates that he neither attempted to evade the investigation nor absconded from the process of law. His repeated appearance before the Investigating Agency substantially negatives the apprehension that he is likely to flee from justice.

35. The Hon'ble Supreme Court in ***Siddharth v. State of Uttar Pradesh, (2022) 1 SCC 676***, has categorically held that arrest is not mandatory merely because it is lawful to do so. The power to arrest and the necessity to arrest are two distinct concepts. The Court observed that where an accused has cooperated throughout the investigation and custodial interrogation is not required, arrest should not be resorted to as a matter of routine. Similar principles were reiterated in ***Joginder Kumar v. State of U.P., (1994) 4 SCC 260***, wherein the Apex Court held that no arrest can be made merely because it is lawful for the police officer to do so; the arrest must be justified by necessity.
36. Another important circumstance which persuades this Court to consider the applicant's prayer favourably is the manner in which the arrest has been effected. Learned counsel for the applicant has specifically contended that the mandatory constitutional requirement regarding communication of grounds of arrest was not complied with.
37. In the matter of ***Vihaan Kumar Vs. State of Haryana and another reported in 2025 SCC OnLine SC 269***, the Hon'ble Court has held the following in para 41 & 41 with respect to the communication of the grounds of arrest :

“41. The issue on the requirement of

communication of grounds of arrest to the person arrested, as mandated under Article 22(1) of the Constitution of India, which has also been incorporated in the Prevention of Money Laundering Act, 2002 under Section 19 thereof has been succinctly reiterated in this judgment. The constitutional mandate of informing the grounds of arrest to the person arrested in writing has been explained in Pankaj Bansal [Pankaj Bansal v. Union of India, (2024) 7 SCC 576 : (2024) 3 SCC (Cri) 450] so as to be meaningful to serve the intended purpose which has been reiterated in Prabir Purkayastha [Prabir Purkayastha v. State (NCT of Delhi), (2024) 8 SCC 254 : (2024) 3 SCC (Cri) 573] . The said constitutional mandate has been incorporated in the statute under Section 50CrPC (Section 47 of the BNSS). It may also be noted that the aforesaid provision of requirement for communicating the grounds of arrest, to be purposeful, is also required to be communicated to the friends, relatives or such other persons of the accused as may be disclosed or nominated by the arrested person for the purpose of giving such information as provided under Section 50-ACrPC. As may be noted, this is in the addition of the requirement as provided under Section

50(1)CrPC.

42. *The purpose of inserting Section 50-ACrPC, making it obligatory on the person making arrest to inform about the arrest to the friends, relatives or persons nominated by the arrested person, is to ensure that they would be able to take immediate and prompt actions to secure the release of the arrested person as permissible under the law. The arrested person, because of his detention, may not have immediate and easy access to the legal process for securing his release, which would otherwise be available to the friends, relatives and such nominated persons by way of engaging lawyers, briefing them to secure release of the detained person on bail at the earliest. Therefore, the purpose of communicating the grounds of arrest to the detainee, and in addition to his relatives as mentioned above is not merely a formality but to enable the detained person to know the reasons for his arrest but also to provide the necessary opportunity to him through his relatives, friends or nominated persons to secure his release at the earliest possible opportunity for actualising the fundamental right to liberty and life as guaranteed under Article 21 of the Constitution. Hence, the requirement of communicating the grounds of arrest in*

writing is not only to the arrested person, but also to the friends, relatives or such other person as may be disclosed or nominated by the arrested person, so as to make the mandate of Article 22(1) of the Constitution meaningful and effective failing which, such arrest may be rendered illegal.”

38. Recently, in the matter of **Mihir Rajesh Shah Vs. State of Maharashtra and another** reported in (2026) 1 SCC 500, the Hon'ble Supreme Court has categorically held that if an accused is arrested for any cognizable offence, the concerned Investigating Officer is required to inform the arrestee of the grounds of arrest in writing. The following was held in para 64, 65, 66 and 67 :

“64. In view of the above, we hold with regard to the second issue that non-supply of grounds of arrest in writing to the arrestee prior to or immediately after arrest would not vitiate such arrest on the grounds of non-compliance with the provisions of Section 50CrPC (now Section 47 of BNSS 2023) provided the said grounds are supplied in writing within a reasonable time and in any case two hours prior to the production of the arrestee before the Magistrate for remand proceedings.

65. *It goes without saying that if the abovesaid schedule for supplying the grounds of arrest in writing is not adhered to, the arrest will be rendered illegal entitling the release of the arrestee. On such release, an application for remand or custody, if required, will be moved along with the reasons and necessity for the same, after the supply of the grounds of arrest in writing setting forth the Explanation for non-supply thereof within the above stipulated schedule. On receipt of such an application, the Magistrate shall decide the same expeditiously and preferably within a week of submission thereof by adhering to the principles of natural justice.*

66. *In conclusion, it is held that:*

66.1. *The constitutional mandate of informing the arrestee the grounds of arrest is mandatory in all offences under all statutes including offences under IPC, 1860 (now BNS 2023);*

66.2. *The grounds of arrest must be communicated in writing to the arrestee in the language he/she understands;*

66.3. *In case(s) where, the arresting officer/person is unable to communicate the grounds of arrest in writing on or soon after arrest, it be so done orally. The said grounds be communicated in writing within*

a reasonable time and in any case at least two hours prior to production of the arrestee for remand proceedings before the Magistrate.

66.4. *In case of non-compliance of the above, the arrest and subsequent remand would be rendered illegal and the person will be at liberty to be set free.*

67. *After having come to the above conclusion, it is pertinent to note that the provision of law under Section 50CrPC (Section 47 of BNSS 2023) does not provide for a specific mode of or time-frame for communication of the grounds of arrest to the person arrested. This Court in *Prabir Purkayastha* [*Prabir Purkayastha v. State (NCT of Delhi)*, (2024) 8 SCC 254 : (2024) 3 SCC (Cri) 573] , held that the grounds of arrest be conveyed to the arrestee in writing in all offences at the earliest, which means it need not be given at the time of arrest but within a reasonable time thereafter, for offences under all the statutes, which period would be as has been laid down above in this order.”*

- 39.** Coming to the factual matrix, this Court finds that the prosecution itself has placed sufficient material demonstrating that the day-to-day functioning of A2Z Infraservice Limited in

the State of Chhattisgarh was not being supervised by the present applicant.

- 40.** The Board Resolution placed on record shows that one Mr. N. Uday Rao had been specifically authorised to supervise and conduct the entire business relating to the CSMCL contract. The documents annexed with the charge-sheet further reveal that he was the authorised representative operating the Company's bank account, dealing with CSMCL authorities, coordinating with government officials and managing financial transactions. The bank account through which the alleged financial transactions were routed admittedly carried the mobile number and operational control of N. Uday Rao.
- 41.** The prosecution itself further alleges that approximately Rs.12 crores were deducted by CSMCL as penalty from the dues payable to the Company and that nearly Rs.7 crores were withdrawn by N. Uday Rao from the Company's account. These circumstances prima facie indicate that the operational and financial control of the contract rested substantially with the said authorised representative.
- 42.** Equally significant is the fact that the alleged recovery of Rs.28.80 lakhs was not effected from the possession of the present applicant. The recovery was admittedly made from other co-accused persons at Raipur. No recovery whatsoever

has been made from the applicant. Likewise, there is no allegation that the applicant personally demanded, accepted or received any amount of illegal gratification.

43. Another significant circumstance noticed by this Court is that one **Siddharth Singhania**, who according to several statements recorded during investigation appears to have acted as the principal intermediary between manpower agencies and government officials, has subsequently been cited as a prosecution witness. Without expressing any opinion on the evidentiary value of such statements, this circumstance undoubtedly assumes relevance while evaluating the comparative role attributed to the present applicant at the stage of bail.
44. The investigation, so far as the present applicant is concerned, already stands concluded. The charge-sheet has admittedly been filed. The entire evidence sought to be relied upon by the prosecution is documentary in nature consisting of contracts, invoices, tender records, bank statements, official correspondence and electronic records, all of which already stand seized by the investigating agency.
45. The prosecution has not pointed out any further custodial interrogation which remains necessary. No recovery remains to be effected from the applicant. There is no material to

indicate that he attempted to influence any witness during the long period when he remained at liberty despite repeated appearance before the Investigating Officer.

46. The Hon'ble Supreme Court in ***Sanjay Chandra v. CBI, (2012) 1 SCC 40***, has held that once investigation is complete and the evidence is primarily documentary in nature, continued incarceration of an accused cannot be justified merely because the allegations are serious. The object of bail is to secure the presence of the accused during trial and not to inflict punishment before conviction.
47. Likewise, in ***Satender Kumar Antil v. CBI, (2022) 10 SCC 51***, the Supreme Court has reiterated that personal liberty under Article 21 must receive primacy once investigation is complete and the accused has cooperated throughout the investigation.
48. In ***Dataram Singh v. State of Uttar Pradesh, (2018) 3 SCC 22***, the Apex Court once again emphasized that grant of bail is the rule whereas refusal is the exception and every accused continues to enjoy the presumption of innocence till conviction.
49. The prosecution has sought to fasten criminal liability upon the applicant primarily because he was one of the Directors of

A2Z Infraservice Limited. However, criminal jurisprudence does not recognise automatic or vicarious criminal liability merely on account of holding a corporate office unless the statute specifically provides so or unless specific overt acts are attributed to the individual concerned.

50. The Hon'ble Supreme Court in ***National Small Industries Corporation Ltd. v. Harmeet Singh Paintal, (2010) 3 SCC 330***, has categorically held that every Director of a company cannot automatically be prosecuted merely because of his designation. Criminal liability can arise only against those persons who were actually in charge of and responsible for the conduct of the business of the company at the relevant time. Merely holding the office of Director does not create criminal liability.
51. The same principle has subsequently been reiterated in ***Sunil Bharti Mittal v. Central Bureau of Investigation, (2015) 4 SCC 609***, wherein the Supreme Court held that criminal liability is personal and cannot be inferred merely from one's corporate designation. Unless the complaint or the prosecution material specifically attributes active participation or individual role to the concerned Director, prosecution cannot proceed merely on the basis of his official position.

- 52.** In the present case, apart from the applicant being one of the Directors of the Company, no independent material has been pointed out demonstrating that he personally instructed payment of illegal commission, prepared forged documents, handled the alleged cash transactions or participated in the alleged conspiracy.
- 53.** This Court also cannot ignore the serious medical condition of the applicant. The medical reports placed on record indicate that the applicant is suffering from Obstructive Sleep Apnoea Syndrome, Type-II Diabetes Mellitus, Hypertension, Hypothyroidism and respiratory complications. The reports submitted by the Medical Officer of the Central Jail further indicate complaints relating to breathlessness, urinary complications and kidney-related ailments requiring specialised treatment from different medical departments. A perusal of the report submitted by the Medical Officer, Central Jail, Raipur, states the following :

"वर्तमान में मरीज को पेशाब संबंधी समस्याएं, कमर में दर्द तथा सांस लेने में तकलीफ (Breathlessness) की शिकायत है। उक्त लक्षणों के कारण मरीज का यूरोलॉजी विभाग में उपचार जारी है। साथ ही मरीज की समग्र चिकित्सकीय जांच एवं उपचार हेतु मेडिसिन विभाग, रेस्पिरेटरी मेडिसिन विभाग, ऑर्थोपेडिक विभाग एवं न्यूरोसर्जरी विभाग से भी परामर्श (Consultation) लिया जाना प्रस्तावित/आवश्यक है।"

- 54.** The record further shows that the applicant has repeatedly been referred to Dr. Bhim Rao Ambedkar Memorial Hospital and DK Super Speciality Hospital for specialised treatment. Though adequate medical facilities may be available within the State machinery, the deteriorating medical condition of the applicant remains an additional circumstance which deserves consideration while balancing the competing considerations governing grant of bail.
- 55.** Having regard to the cumulative effect of the aforesaid circumstances, namely, that the applicant was not named in the FIR; he appeared before the Investigating Officer on every occasion pursuant to summons and fully cooperated with the investigation; he was arrested after several months despite such cooperation; the investigation already stands concluded and the charge-sheet has been filed; the evidence is predominantly documentary in nature; no recovery remains to be effected from him; the operational control of the Company appears, prima facie, to have been exercised by Mr. N. Uday Rao; criminal liability cannot be fastened merely because the applicant held the office of Director; and the applicant is suffering from serious medical ailments requiring continuous treatment, this Court is of the considered opinion

that further custodial detention of the applicant would not serve any useful purpose.

- 56.** 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.”

57. Keeping in view the law laid down by the Hon'ble Supreme Court in *Arvind Dham (Supra)*, *Joginder Kumar (Supra)*, *Siddharth (Supra)*, *Sanjay Chandra (Supra)*, *Dataram Singh (Supra)*, *Satender Kumar Antil (Supra)*, *National Small Industries Corporation Ltd. (Supra)*, *Sunil Bharti Mittal (Supra)*, *Vihaan Kumar (Supra)*, and *Mihir Rajesh Shah (Supra)*, and without expressing any opinion on the merits of the prosecution case, this Court is satisfied that the applicant has succeeded in making out a fit case for grant of regular bail.
58. 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.

- 59.** 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.
- 60.** Accordingly, the bail application is **disposed of** in the aforesaid terms.

Sd/-

**(Amitendra Kishore Prasad)
Judge**

Vishakha