

APHC010713262025



IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI [3396]
(Special Original Jurisdiction)

FRIDAY, THE SIXTH DAY OF MARCH
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE DR. JUSTICE VENKATA JYOTHIRMAI PRATAPA

CRIMINAL PETITION Nos: 13503 & 13504/2025 and 27 /2026

Criminal Petition No:13503 of 2025:

Between:

EDDALA NAVEEN KRISHNA, S/O.RADHA KRISHNA AGED ABOUT 31 YEARS, R/O.D.NO.5-29, AMNDATHIPURAM, PUDIPATLA VILLAGE, TIMPATHI RURAL MANDAL, TIRUPATHI DISTRICT.

...PETITIONER/ACCUSED No.36

AND

- 1.THE STATE OF ANDHRA PRADESH, THROUGH S.H.O. CID PS,REP. BY PUBLIC PROSECUTOR,HIGH COURT OF AP AT AMARAVATHI.
- 2.THE SPECIAL INVESTIGATION TEAM, REP BY COMMISSIONER OF POLICE VIJAYAWADA, VIJAYAWADA, NTR KRISHNA DISTRICT, ANDHRA PRADESH.

...RESPONDENT/COMPLAINANT(S):

Counsel for the Petitioner/accused:

- 1.P NAGENDRA REDDY

Counsel for the Respondent/complainant(S):

- 1.PUBLIC PROSECUTOR

The Court made the following:

Criminal Petition No.13504 of 2025:

Between:

M. BALAJI KUMAR YADAV, S/o.KULLAYAPPA, AGED ABOUT 38 YEARS, R/O.D.No.3-118, M.R.PALLY, TIRUPATHI, TIRUPATHI DISTRICT.

...PETITIONER/ACCUSED No.35

AND

- 1.THE STATE OF ANDHRA PRADESH, THROUGH S.H.O. CID PS, REP. BY PUBLIC PROSECUTOR,HIGH COURT OF AP AT AMARAVATHI.
- 2.THE SPECIAL INVESTIGATION TEAM, REP BY COMMISSIONER

OF POLICE VIJAYAWADA, VIJAYAWADA, NTR KRISHNA DISTRICT, ANDHRA PRADESH.

...RESPONDENT/COMPLAINANT(S):

Counsel for the Petitioner/accused:

VELADI SAI SRI HARSHA

Counsel for the Respondent/complainant(S):

PUBLIC PROSECUTOR

The Court made the following:

Criminal Petition No.27 of 2026:

Between:

BOONETI CHANAKYA, S/O.LACHAPPA SAILU, AGED ABOUT 37 YEARS, R/O.D.NO.1-7-511/4, HARI NAGARJAMISTHANPUR, MUSHEERABAD, HYDERABAD, TELANGANA.

...PETITIONER/ACCUSED No.8

AND

THE STATE OF ANDHRA PRADESH, SPECIAL INVESTIGATION TEAM, REP BY ITS PUBLIC PROSECUTOR, HIGH COURT OF ANDHRA PRADESH AT AMARAVATI.

...RESPONDENT/COMPLAINANT

Counsel for the Petitioner/accused:

1.G L NAGESWAR RAO

Counsel for the Respondent/complainant:

1.PUBLIC PROSECUTOR

The Court made the following:

COMMON ORDER:

These Criminal Petitions under Sections 480 and 483 of Bharatiya Nagarik Suraksha Sanhita, 2023¹ have been filed by the Petitioners/Accused Nos.8, 35 and 36, seeking regular bail in connection with Crime No.21 of 2024 of CID Police Station, Mangalagiri, registered for the offences 409, 420, and 120-B read with Sections 34, 37 of the Indian Penal Code, 1860² and

¹For short 'BNSS'

² For short 'IPC'

Sections 7, 7(a), 8, 13(1)(b) & 13(2) of the Prevention of Corruption Act, 1988³.

2. As the different Accused in these Petitions relate to the same crime, for ease of understanding, they are disposed of by this common order. However, each individual petition is determined with reference to the respective Petitioner.

Case of the Prosecution, in concise, is as follows:

3. The present crime arises out of allegations concerning large-scale irregularities in the implementation of the excise policy and functioning of the Andhra Pradesh State Beverages Corporation Limited (APSBCL) during 2019 to 2024. The matter came to light upon a representation made to the Principal Secretary to the Government of Andhra Pradesh, on 26.08.2024 by one Venkateswara Rao Srinivas, alleging irregularities in the excise policy from 2019 to 2024. The report highlighted issues such as unfair discrimination in the allocation of Orders for Supply (OFS) of liquor, leading to the suppression of established brands and preferential treatment for new brands, in violation of existing norms. It also raised concerns about the shift from an automated to a manual OFS system, which could allow for manipulations. After an enquiry, Principal Secretary referred the complaint to CID Police, Mangalagiri, which registered a case in Crime No.21 of 2024 against unknown persons on 23.09.2024, alleging offences under Sections 409, 420, and 120-B of IPC. On 05.02.2025, the Government constituted a

³ For short 'PC Act'

Special Investigation Team (SIT), *vide* G.O.Rt.No.262 to investigate the alleged irregularities in the excise policy and related crimes.

4. Petitioners herein are Accused Nos.8, 35 and 36 in the above crime. The allegations against the Petitioner/Accused No.8 are that, he acted as an Operations Commander in the alleged ₹3,500 crore Andhra Pradesh Liquor Scam, managing kickback collections, using aliases to conceal his identity, arranging SIM cards through fraudulent KYC documents, organizing cash collection and distribution networks, coercing distilleries, facilitating laundering of funds abroad, and coordinating movement of illicit money with the co-accused. It is further alleged that he played a key role in transporting cash to intended beneficiaries.

5. It is alleged against the Petitioners / Accused Nos.35 and 36 that, they being the Personal Assistants to the former MLA of Chandragiri Assembly Constituency (Accused No.38), organised the movement and logistics of cash allegedly generated through kickbacks for the purpose of buying votes in the A.P.General Elections, 2024.

Arguments advanced at the Bar:

6. Heard Sri N.Ashwani Singh, learned Senior Counsel assisted by Sri G.L.Nageswara Rao, learned counsel for the Petitioner / Accused No.8, Ms.Liz Mathew, learned Senior Counsel assisted by Sri Veladi Sai Sri Harsha, learned counsel for the Petitioner / Accused No.35 and Sri K.S.Murthy, learned Senior Counsel assisted by Sri P.Nagendra Reddy, learned counsel for the Petitioner / Accused No.36 and Sri Posani

Venkateswarlu, learned Senior Counsel assisted by Sri M.Lakshmi Narayana, learned Public Prosecutor for State.

Arguments advanced on behalf of Accused No.8:

7. Sri N.Ashwani Singh, learned counsel assisted by Sri G.L.Nageswara Rao, learned counsel for the Petitioner / Accused No.8 would submit that the prosecution case is based on general and cyclostyled statements of witnesses, many of whom are alleged co-conspirators, and no specific overt act is attributed to the Petitioner. Even as per the prosecution, the alleged conspiracy meetings were conducted by Accused Nos.1 to 5 and there is no allegation of the Petitioner's participation therein.

It is contended that the alleged offences are not attracted against him; except Section 409 IPC, all other offences are punishable with imprisonment of below seven years. Learned counsel would submit that the Police custody of the Petitioner is over, entire investigation with regard to the Petitioner / Accused No.8 has been completed and charge sheet has also been filed on 19.07.2025. It is submitted that no incriminating material, property, or proceeds of crime have been seized from him.

Learned counsel would argue that the Petitioner was arrayed as an accused nearly one year after registration of the crime, he has cooperated with the investigation, and is not a flight risk. After dismissal of his earlier bail application, he has undergone prolonged custody, constituting a change in circumstances. Parity is also claimed, as a co-accused projected as the kingpin has been granted bail. Hence, continued detention is stated to be

unjustified and violative of Article 21 of the Constitution of India. Hence, prayed to enlarge the Petitioner / Accused No.8 on bail.

Arguments advanced on behalf of Accused No.35:

8. Ms.Liz Mathew, learned Senior Counsel assisted by Sri Veladi Sai Sri Harsha, learned counsel for the Petitioner / Accused No.35 would submit that the Petitioner / Accused No.35 has been falsely implicated in the present crime. Learned Senior Counsel would further submit that the Petitioner is neither the Personal Assistant of Accused No.38 nor closely associated with him and is merely an outsourcing employee working in APCPDCL. Except a vague allegation that the Petitioner allegedly transported cash at the instance of Accused No.38, no specific overt act is attributed to him.

Learned Senior Counsel argues that the Petitioner is implicated based on the statement of LW-162, which is wholly unreliable. LW-162 is a Government employee examined by superior officers, giving rise to a reasonable apprehension of inducement, coercion or political influence. Significantly, immediately after making the alleged confession, LW-162 was promoted to the Octopus team with a substantial salary hike. LW-162 was himself shown as Accused No.7 in Crime No.171/2024 arising out of the very same seizure of ₹8.37 crores, rendering his statement self-serving and intended to redirect the culpability.

Learned Senior Counsel would submit that no offence under Section 409 IPC is made out against the Petitioner, as he is not a public servant, no entrustment is alleged and no victim of misappropriation has been identified.

The remand report does not disclose any dishonest intention, inducement, deception, conspiracy or common intention attributable to the Petitioner and, therefore, Sections 420 and 120-B read with Sections 34 and 37 IPC are not attracted. The provisions of the Prevention of Corruption Act are wholly inapplicable, as the Petitioner is not a public servant and there is no allegation of bribery, gratification or illegal enrichment.

It is further submitted that even as per the charge sheet, the only allegation against the Petitioner is that he allegedly transported cash much prior to the General Elections, without any material to show participation in planning, conspiracy or distribution, or derivation of any benefit. The statements of prosecution witnesses relied upon do not disclose any incriminating material against the Petitioner and are largely irrelevant. The charge sheet was filed on 15-09-2025 and no further investigation has been sought against the Petitioner, demonstrating that the investigation as against him stands concluded. The Petitioner has been in judicial custody since 30.06.2025.

Learned Senior Counsel would finally submit that several co-accused, including Accused Nos.4, 30, 31, 32 and 33, who stand on the footing, have already been granted bail. The case against the Petitioner is largely based on CDR and co-location data, which has been held to be weak and non-conclusive. It is submitted that the investigation with regard to the Petitioner has been completed. The Petitioner is a permanent resident with a fixed abode, is not a beneficiary of the alleged offence, cannot influence witnesses

or tamper with evidence, and continued detention violates his fundamental rights under Articles 14 and 21 of the Constitution. The Petitioner undertakes to cooperate with the trial and abide by any conditions imposed and prays to be enlarged on bail. In support of their contentions, learned Senior Counsel has placed reliance on the judgment of the Hon'ble Supreme Court in **P.Krishna Mohan Reddy vs. State of A.P**⁴ and **Chevireddy Mohith Reddy vs. The State of A.P and another**⁵.

Arguments advanced on behalf of Accused No.36:

9. Sri K.S.Murthy, learned Senior Counsel assisted by Sri P.Nagendra Reddy, learned counsel for the Petitioner / Accused No.36 would submit that the entire prosecution case is false and that, except a vague allegation of transporting cash, no specific overt act is attributed to the Petitioner / Accused No.36. The Petitioner is neither a public servant nor entrusted with any amount.

Learned Senior Counsel would further contend that the charge sheet has been filed solely on the basis of statements of LW-162 and LW-167. The investigation, as against the Petitioner, is complete and no further investigation is pending. It is submitted that the Petitioner has been in judicial remand since 30-06-2025, is not a beneficiary of the alleged kickback, and there is no possibility of influencing witnesses or tampering with evidence. The Petitioner undertakes to cooperate with the trial and abide by any conditions imposed and prays to be enlarged on bail.

⁴ 2025 SCC OnLine SC 1157

⁵ SLP (Cri.) No.15994 of 2025, dated 10.10.2025

Arguments on behalf of Respondent/ State:***In relation to Accused No.8***

10. Sri M.Lakshmi Narayana, learned Public Prosecutor appearing for the Prosecution would submit that the Petitioner / Accused No.8 played a crucial role in establishing UV Distilleries for receiving wrongful gains and coordinated the fleeing of co-accused and investment of kickbacks obtained through the liquor trade in African countries through Accused Nos.9, 34 and 38. It is further submitted that the Petitioner herein also coerced the distilleries and liquor companies into paying kickbacks.

Learned Senior Counsel would submit that the Petitioner was controlling day-to-day operations and was acting as syndicate's embedded proxy. Petitioner acted as a close associate to Accused No.1 for investing and diverting the funds received through kickbacks from the liquor trade. It is submitted that the CDRs and the material gathered during investigation *prima facie* reveals the involvement of the Petitioner / Accused No.8 in the alleged crime. There is no change of circumstances from the date of dismissal of the bail applications by the learned trial Judge.

Learned Senior Counsel would submit that the Petitioner intentionally had avoided participating in the investigation and some Co-accused are still absconding and are yet to be arrested. The benefit of principle of parity cannot be given to the Petitioner merely because of some of the co-accused were granted bail. Since the Petitioner had already evaded participating in the investigation, there is every likelihood of abscondence of the Petitioner if

he is released on bail and may threaten the witnesses and tamper with the evidence. Learned Senior Counsel would submit that, mere filing of charge sheet against the Petitioner, is not a ground to grant bail to the Petitioner, since the further investigation in the present crime is pending. Hence, prayed for dismissal of the petition concerning Accused No.8.

In relation to Accused No.35

11. Sri M.Lakshmi Narayana, learned Public Prosecutor appearing for the Prosecution would submit that the Petitioner herein is an associate of Accused No.38 and was entrusted with the task of collecting and transporting large sums of cash from different locations, which was thereafter kept as per the instructions of Accused No.38. The role attributed to the Petitioner forms part of a larger conspiracy involving the movement of illicit funds.

It is submitted that the conduct of the Petitioner after the incident clearly points to his culpability. The Petitioner deliberately absconded, switched off his mobile phone and evaded the investigating agency, thereby obstructing the investigation. Such conduct disentitles him from the discretionary relief of bail, as it demonstrates a real likelihood of the Petitioner fleeing from justice, if enlarged on bail.

Learned Public Prosecutor would further submit that the charge sheet has already been filed on 15.09.2025 after a detailed and thorough investigation and the material collected *prima facie* establishes the involvement of the Petitioner in the commission of the offences. The filing of the charge sheet does not dilute the seriousness of the offences, nor does it

automatically entitle the Petitioner to bail, particularly in cases involving organised and grave economic offences.

It is further submitted that the bail applications filed by the Petitioner were earlier dismissed by the learned Special Judge after considering the entire material on record. There is no change in circumstances since the rejection of the earlier bail applications warranting reconsideration by this Hon'ble Court. The grounds now urged are a mere repetition of the contentions already considered and rejected.

Learned Public Prosecutor would submit that the offences alleged are serious in nature, involving large-scale movement of unaccounted cash. If the Petitioner is released on bail, there is every likelihood of influencing witnesses or hampering the trial. Hence, prayed for dismissal of the petition.

In relation to Accused No.36

12. Sri Posani Venkateswarlu, learned Senior Counsel assisted by Sri M.Lakshmi Narayana, learned Public Prosecutor would submit that the Petitioner played an active role in the organized movement of illicit funds generated through kickbacks. It is further submitted that the Petitioner directly supervised and arranged the logistics of transporting huge cash consignments, coordinating closely with Accused Nos.35 and 37. On each occasion, amounts of ₹8–9 crores were transported from Hyderabad to Tirupati under his supervision. By virtue of his close association with Accused No.38, the Petitioner / Accused No.36 handled illegal financial operations. Witness statements categorically state that the Petitioner

managed these consignments for the specific purpose of influencing voters in the 2024 elections, ensuring secrecy and safe handling of the funds. His repeated involvement clearly establishes his knowing participation in the larger criminal conspiracy and his role as an executor of the plan to convert illicit syndicate funds into political bribes.

Learned Senior Counsel would further submit that the statements of several listed witnesses and the material collected in the charge sheet specifically name the Petitioner and demonstrate his active role in the conspiracy. The Call Detail Records and FSL reports further establish a clear nexus between the Petitioner and the other co-accused. It is submitted that the Petitioner attempted to evade investigation; a Look Out Circular was issued against him on 31.05.2025 and he was apprehended on 30.06.2025 at Madhya Pradesh, which clearly shows his deliberate attempt to abscond and avoid cooperation with the investigation.

Learned Senior Counsel would argue that in view of the material collected during investigation, a strong *prima facie* case is made out against the Petitioner. Considering the gravity and magnitude of the economic offence, and in the absence of any exceptional circumstances, the Petitioner is not entitled to bail. Hence, prayed for dismissal of the petition.

13. Having heard the arguments on both the sides, this Court has perused the material available on record in these Petitions. The following point arises for determination:

Whether the respective Petitioners are entitled for the grant of regular bail?

Determination by the Court

14. Before delving into the question of grant of bail in each of the Petition, it is beneficial to state the settled principles of law governing bail jurisprudence.

15. Consideration for grant of bail is not in a strait jacket formula and it will have to be determined on case-to-case basis on the facts involved. A three-Judge Bench of the Hon'ble Supreme Court in ***P. Chidambaram v. Directorate of Enforcement***⁶, discussed the factors to be considered in dealing with a bail application as follows;

“21. The jurisdiction to grant bail has to be exercised on the basis of the well-settled principles having regard to the facts and circumstances of each case. The following factors are to be taken into consideration while considering an application for bail:

- (i) the nature of accusation and the severity of the punishment in the case of conviction and the nature of the materials relied upon by the prosecution;*
- (ii) reasonable apprehension of tampering with the witnesses or apprehension of threat to the complainant or the witnesses;*
- (iii) reasonable possibility of securing the presence of the accused at the time of trial or the likelihood of his abscondence;*
- (iv) character, behaviour and standing of the accused and the circumstances which are peculiar to the accused;*
- (v) larger interest of the public or the State and similar other considerations.*

[Vide Prahlad Singh Bhati v. State (NCT of Delhi) [Prahlad Singh Bhati v. State (NCT of Delhi), (2001) 4 SCC 280 : 2001 SCC (Cri) 674] .]

23. *In Kalyan Chandra Sarkar v. Rajesh Ranjan [Kalyan Chandra Sarkar v. Rajesh Ranjan, (2004) 7 SCC 528 : 2004 SCC (Cri) 1977] , it was held as under: (SCC pp. 535-36, para 11)*

“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

⁶(2020) 13 SCC 791

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. (See *Ram Govind Upadhyay v. Sudarshan Singh* (2002) 3 SCC 598] and *Puran v. Rambilas* [*Puran v. Rambilas*, (2001) 6 SCC 338.]”

24. Referring to the factors to be taken into consideration for grant of bail, in *Jayendra Saraswathi Swamigal v. State of T.N.* [*Jayendra Saraswathi Swamigal v. State of T.N.*, (2005) 2 SCC 13 : 2005 SCC (Cri) 481] , it was held as under: (SCC pp. 21-22, para 16)

“16. ... The considerations which normally weigh with the court in granting bail in non-bailable offences have been explained by this Court in *State v. Jagjit Singh* [*State v. Jagjit Singh*, AIR 1962 SC 253 : (1962) 1 Cri LJ 215] and *Gurcharan Singh v. State (Delhi Admn.)* [*Gurcharan Singh v. State (Delhi Admn.)*, (1978) 1 SCC 118 : 1978 SCC (Cri) 41] and basically they are — the nature and seriousness of the offence; the character of the evidence; circumstances which are peculiar to the accused; a reasonable possibility of the presence of the accused not being secured at the trial; reasonable apprehension of witnesses being tampered with; the larger interest of the public or the State and other similar factors which may be relevant in the facts and circumstances of the case.”

25. After referring to para 11 of *Kalyan Chandra Sarkar* [*Kalyan Chandra Sarkar v. Rajesh Ranjan*, (2004) 7 SCC 528], in *State of U.P. v. Amarmani Tripathi* [*State of U.P. v. Amarmani Tripathi*, (2005) 8 SCC 21 : 2005 SCC (Cri) 1960 (2)] , it was held as under: (*Amarmani Tripathi* case [*State of U.P. v. Amarmani Tripathi*, (2005) 8 SCC 21] , SCC p. 31, para 18)

“18. It is well-settled that the matters to be considered in an application for bail are (i) whether there is any *prima facie* or reasonable ground to believe that the accused had committed the offence; (ii) nature and gravity of the charge; (iii) severity of the punishment in the event of conviction; (iv) danger of the accused absconding or fleeing, if released on bail; (v) character, behaviour, means, position and standing of the accused; (vi) likelihood of the offence being repeated; (vii) reasonable apprehension of the witnesses being tampered with; and (viii) danger, of course, of justice being thwarted by grant of bail [see *Prahlad Singh Bhati v. State (NCT of Delhi)* [*Prahlad Singh Bhati v. State (NCT of Delhi)*, (2001) 4 SCC 280] and *Gurcharan Singh v. State (Delhi Admn.)* [(1978) 1 SCC 118 : 1978 SCC (Cri) 41]]. While a vague allegation that the accused may tamper with the evidence or witnesses may not be

a ground to refuse bail, if the accused is of such character that his mere presence at large would intimidate the witnesses or if there is material to show that he will use his liberty to subvert justice or tamper with the evidence, then bail will be refused.”

(emphasis supplied)

16. It is also settled principle that economic offences constitute as a class apart in the context of considering bail applications, as has been noted by the Hon'ble Supreme Court in ***Serious Fraud Investigation Office v. Nittin Johari***⁷, ***Nimmagadda Prasad v. CBI***⁸ and ***State of Bihar v. Amit Kumar***⁹. Such cases involve deep-rooted conspiracies and massive siphoning of public funds, which pose a direct threat to the national financial health and the moral fabric of society, warranting a cautious approach to bail, particularly those alleged to be the “kingpin” with the utmost seriousness. Explaining this, a three Judge Bench of the Hon'ble Supreme Court in ***P. Chidambaram case referred to supra***, held as follows;

“23. Thus, from cumulative perusal of the judgments cited on either side including the one rendered by the Constitution Bench of this Court, it could be deduced that the basic jurisprudence relating to bail remains the same inasmuch as the grant of bail is the rule and refusal is the exception so as to ensure that the accused has the opportunity of securing fair trial. However, while considering the same the gravity of the offence is an aspect which is required to be kept in view by the Court. The gravity for the said purpose will have to be gathered from the facts and circumstances arising in each case. Keeping in view the consequences that would befall on the society in cases of financial irregularities, it has been held that even economic offences would fall under the category of “grave offence” and in such circumstance while considering the application for bail in such matters, the Court will have to deal with the same, being sensitive to the nature of allegation made against the accused. One of the circumstances to consider the gravity of the offence is also the term of sentence that is prescribed for the offence the accused is alleged to have committed. Such consideration with regard to the gravity of offence is a factor which is in addition to the triple test or the tripod test that would be normally applied. In that regard what is also to be kept in perspective is that even if the allegation is one of grave economic offence, it is not a rule that bail should be denied in every case since there is no such

⁷ (2019) 9 SCC 165

⁸ (2013) 7 SCC 466

⁹ (2017) 13 SCC 751

bar created in the relevant enactment passed by the legislature nor does the bail jurisprudence provide so. Therefore, the underlining conclusion is that irrespective of the nature and gravity of charge, the precedent of another case alone will not be the basis for either grant or refusal of bail though it may have a bearing on principle. But ultimately the consideration will have to be on case-to-case basis on the facts involved therein and securing the presence of the accused to stand trial.”

(emphasis supplied)

17. Viewed together, from the precedents discussed above, in the context of economic offences, while considering an application for bail, the Court is required to keep in mind the nature of the accusations, the nature of the evidence in support thereof, the severity of the punishment that a conviction may entail, the character of the accused, the circumstances peculiar to the accused, the reasonable possibility of securing the presence of the accused at trial, the reasonable apprehension of witnesses being tampered with, the larger interests of the public/State, and other similar considerations.

18. In a catena of decisions of the Hon'ble Supreme Court viz., ***Niranjan Singh v. Prabhakar Rajaram Kharote***,¹⁰ at para 3; ***Ajwar v. Waseem***¹¹ at para 17 it was cautioned that at the stage of granting bail, detailed examination of evidence and elaborate documentation of the merits of the case should be avoided. Thus, though a *prima facie* case satisfaction is necessary, an exhaustive exploration of the merits should be avoided.

19. It is also settled in ***Kalyan Chandra Sarkar v. Rajesh Ranjan***¹², at para 20, that while an accused possesses the right to file successive bail applications, the Court has a mandatory duty to consider the reasons for

¹⁰ (1980) 2 SCC 559

¹¹ 2025 INSC 968

¹² (2004) 7 SCC 528

previous rejections and record fresh grounds for a new decision. Any bail order that lacks such reasoning or fails to consider the gravity of the offence suffers from a non-application of mind. Further, in ***State of Tamil Nadu v. S.A.Raja***¹³ at para 9, the Hon'ble Supreme Court held that for a successive bail application to be maintainable, there must be a substantial change in circumstances rather than mere cosmetic updates.

20. It is also well settled that parity is not an absolute claim for grant of bail and it applies only when the roles of the individuals are similar in nature. Recently, the Hon'ble Supreme Court in ***Sagar v. State of Uttar Pradesh & Another***,¹⁴ held that in the context of bail applications, parity is focused on the role played by the accused and not the thread of the same offence being the only common factor between the accused persons. It was explained that when weighing an application on parity, it is "position" that is important and that this requirement of "position" is not satisfied solely by involvement in the same offence; rather, it refers to the role of the accused in the commission of the crime, including the nature and extent of his involvement.

21. In ***Manish Sisodia v. Directorate of Enforcement***¹⁵, the Hon'ble Supreme Court held that Article 21 serves as a constitutional safety valve that can override even the most stringent statutory bars to bail. It was held that 17 months of pre-trial incarceration without the trial commencing constitutes a violation of the right to liberty. The Hon'ble Supreme Court also

¹³ (2005) 8 SCC 380

¹⁴ 2025 INSC 1370

¹⁵ (2024) 12 SCC 660

emphasized that prolonged pre-trial detention must not be utilized as a tool for punishment, as punishment should only follow a formal conviction. Additionally, in ***Union of India v. K.A. Najeeb***¹⁶, it was held that gross delay in trial disposal justifies the invocation of Article 21, even in matters governed by laws with restrictive bail provisions. This position of law has also been recently reiterated by the Hon'ble Apex Court in ***Arvind Dham v Directorate of Enforcement***.¹⁷

22. In the case at hand, the allegations levelled against the Petitioners / Accused Nos.8, 35 and 36 are undoubtedly serious in nature and pertain to economic offences involving substantial public interest. At the same time, it is trite that gravity of the offence alone cannot be the sole ground to deny bail, particularly when the investigation is substantially completed and the Accused have been in custody for a considerable period.

23. It is not in dispute that the Petitioners / Accused Nos.8, 35 and 36 are in judicial custody and that the charge sheet has already been filed. The investigation, insofar as the Petitioners are concerned, appears to have been completed. No specific recovery of incriminating material or proceeds of crime from the Petitioners is placed before this Court at this stage. The material relied upon by the prosecution, including statements and CDRs, are matters to be tested during the course of trial.

24. The Petitioners / Accused Nos.8, 35 and 36 have been in custody for a substantial period following dismissal of the earlier bail application.

¹⁶ (2021) 3 SCC 713

¹⁷ 2026 INSC 12

Prolonged incarceration pending trial, particularly in cases involving voluminous documentary evidence and multiple Accused, would inevitably delay conclusion of trial.

25. Admittedly, Accused No.38, with whom the Petitioners / Accused Nos.8, 35 and 36 alleged to have a nexus in the alleged crime, has been granted bail. The apprehension expressed by the State regarding possible tampering with evidence or influencing witnesses is noted. However, the prosecution has not placed any specific material to indicate that Accused Nos.8, 35 and 36 have attempted, during custody or otherwise, to interfere with the investigation. The investigation against them being substantially complete, the likelihood of prejudice to the prosecution case can be adequately mitigated by imposing appropriate and stringent conditions. Further, it is relevant to note that other co-accused, who are similarly placed in terms of the nature of allegations, have already been enlarged on bail. Though the principle of parity is not absolute and cannot be applied mechanically as has been noted earlier, no material distinction has been demonstrated to justify a differential treatment resulting in continued detention of Accused Nos.8, 35 and 36.

26. As also discussed, prolonged pre-trial detention, particularly where the report is filed, investigation is substantially complete, cognizance of offences is not yet taken, and the trial is unlikely to conclude within a reasonable time, may infringe the guarantee of personal liberty under Article 21 of the Constitution of India. Having regard to the period of custody undergone by

Accused Nos.8, 35 and 36, the stage of the proceedings, the absence of material indicating risk of abscondence or interference with the trial, and the principle that bail is the rule and jail is the exception, this Court is of the considered view that further incarceration of Accused Nos.8, 35 and 36 is not warranted at this stage. Accordingly, the Petitioners / Accused Nos.8, 35 and 36 are entitled to the benefit of bail.

27. Accordingly, Criminal Petition Nos.27 of 2026, 13503 and 13504 of 2025, are allowed and the Petitioners/Accused Nos.8, 35 and 36 shall be released on bail, subject to the following conditions:

(i) The Petitioners/Accused Nos.8, 35 and 36 shall execute personal bond for a sum of Rs.1,00,000/- (Rupees one lakh only) each with two sureties for a like sum each, to the satisfaction of the trial Court.

(ii) The Petitioners/Accused Nos.8, 35 and 36 shall surrender their passports, if any, before the trial Court and shall not leave India without prior permission of the said Court.

(iii) The Petitioners/Accused Nos.8, 35 and 36 shall not leave the limits of the State without giving intimation to the Investigating Officer. The Investigating Agency shall furnish their Whatsapp mobile number to the Petitioners for the purpose of convenience.

(iv) The Petitioners/Accused Nos.8, 35 and 36 shall appear before the Investigating Officer as and when required and shall cooperate with further investigation, if any.

(v) The Petitioners/Accused Nos.8, 35 and 36 shall not directly or indirectly tamper with evidence nor influence, intimidate, or induce any prosecution witness.

(vi) The Petitioners/Accused Nos.8, 35 and 36 shall not contact any of the prosecution witnesses or co-accused, except during legal proceedings.

(vii) The Petitioners/Accused Nos.8, 35 and 36 shall file their affidavits before the trial Court disclosing all their movable and immovable properties, bank accounts, *demat* accounts, business interests, and financial holdings, whether held individually or jointly within a period of two weeks from the date of their release.

(viii) The Petitioners/Accused Nos.8, 35 and 36 shall not make or publish or disseminate any information, statement, or post whether in print, electronic or social media concerning the present crime till conclusion of the trial.

(ix) The Petitioners/Accused Nos.8, 35 and 36 shall not alienate, encumber, or create third-party interests in any property disclosed by them or identified by the prosecution, without prior permission of the trial Court.

(x) The Petitioners/Accused Nos.8, 35 and 36 shall not operate or manage any company, firm, or bank account alleged to have been used in connection with the offence, except with prior intimation to the Investigating Agency.

(xi) The Petitioners/Accused Nos.8, 35 and 36 shall furnish their active mobile number to the Investigating Officer and shall be available at all times and any change shall be intimated forthwith.

(xii) The Petitioners/Accused Nos.8, 35 and 36 shall appear before the Investigating Agency once in a week i.e., on every Saturday between 10.00 a.m. and 5.00 p.m. till further orders.

In the event of violation of any of the above conditions, the prosecution shall be at liberty to seek cancellation of bail.

It is also made clear that the observations made in this order are only for the purpose of deciding the bail application and they shall not be construed as opinion on the merits of the Crime.

As a sequel thereto, miscellaneous petitions pending, if any, shall stand closed.

Dr.JUSTICE VENKATA JYOTHIRMAI PRATAPA

Dt.06.03.2026

Note: Issue C.C today

B/o.

Dinesh

HON'BLE DR. JUSTICE VENKATA JYOTHIRMAI PRATAPA

CRIMINAL PETITION Nos: 13503 & 13504/2025 and 27 /2026

Dated:06.03.2026

Dinesh