



**HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR**



S.B. Criminal Miscellaneous Bail Application No.8007/2025

Mahesh Joshi S/o Late Moolchand Joshi, Aged About 71 Years,
R/o B-20, Sain Colony, Power House Road, Railway Station,
Jaipur. Rajasthan.

(At Present Lodged At Central Jail, Jaipur, Rajasthan).

-----Petitioner

Versus

Enforcement Directorate, Jaipur, Through Its Special Public
Prosecutor.

-----Respondent

For Petitioner(s)	:	Mr. V.R. Bajwa, Sr. Adv. Assisted by Mr. Snehdeep Khayalia, Adv. and Ms. Savita Nathawat, Adv.
For Respondent(s)	:	Mr. Akshay Bhardwaj, Adv. for ED Mr. Rajat Sharma, Adv. Mr. Ashutosh Ranga, Adv. Mr. Ajay Singh, Adv.

HON'BLE MR. JUSTICE PRAVEER BHATNAGAR

Order

<u>Reserved on</u>	::	<u>08/08/2025</u>
<u>Pronounced on</u>	::	<u>26/08/2025</u>

Reportable

1. The instant bail application has been filed under Section 483 of B.N.S.S. on behalf of accused-petitioner. The accused-petitioner has been arrested in connection with ECIR No.JPZO/29/2023, dated 21.08.2023, registered for the offences punishable under Sections 3 and 4 of the Prevention of Money Laundering Act, 2002 (in short '**PMLA**').

Submissions made by Learned Counsel for the Petitioner:-

2. The learned senior counsel appearing for petitioner contends that the petitioner has been falsely implicated in the present case.



Prima facie, no case has been established against the petitioner under Sections 3 and 4 of PMLA. The petitioner was appointed as the Minister of the Public Health Engineering Department ('**PHED**') in November 2021. In contrast, the main co-accused Padam Chand & Mahesh Mittal, who have been alleged to have procured tenders by using a forged IRCON certificate, bribing the officials, accumulated proceeds of crime and had been consistently securing tenders in the PHED since 2019. The petitioner even suspended an official, Vikrant Saxena, for falsely reporting the IRCON certificate as genuine and blacklisted the aforesaid co-accused from applying for or participating in the tender process.

3. The petitioner has been made accused in the alleged crime without any predicate offence, and his name did not appear in the charge sheet submitted against the other co-accused. Additionally, the petitioner's name is also absent from the Enforcement Case Information Report ('**ECIR**'). Subsequent FIRs regarding the forgery of the IRCON certificates were filed against the petitioner and the other co-accused after the charge sheet was submitted in the predicate offence. However, the petitioner was granted protection in both the FIR's by the Hon'ble High Court. It is also contended that similar allegations were investigated in an FIR instituted in the year 2022, and the police submitted a closure report in that case. The filing of these subsequent FIR's against the petitioner suggests a political vendetta against the petitioner and also indicates that the current complaint appears to be in continuation of the political motivation.



4. Furthermore, the learned counsel for the petitioner argues that the allegations against the petitioner of receiving fifty lakh rupees as proceeds of crime in his son's firm account is not substantiated. The account of the petitioner shows that the said amount constitute as a loan and the same was returned back by the petitioner. The other co-accused has retracted their statements made under Section 50 of PMLA, which cannot be used against the petitioner. Additionally, the statements of the witnesses do not support the prosecution's case. The prosecution heavily relies on these statements; however, the claim that the amount transferred to the petitioner's son's firm belongs to the witnesses damages the case of the prosecution. The prosecution cannot selectively rely on or disown the statements of its witnesses.

5. The counsel also points out that the ECIR was registered in 2022, resulting in several summons being issued. The petitioner sought a reasonable period to appear; however, officials ignored this request and frequently issued summons without providing adequate time for the petitioner to respond. This pattern of issuing frequent summons without allowing reasonable time to appear before the Enforcement Directorate (in short, '**ED**') suggests a hidden agenda to implicate the petitioner by any means necessary.

6. The bail applications of the other co-accused, namely Piyush, Padam Chand, and Sanjay Badaya, were granted by the honourable Apex Court. In granting bail to Sanjay Badaya, the Apex Court noted that a complaint had already been filed,



consisting of numerous documents, which made the conclusion of the trial unlikely in the short term. After, considering the fact that the petitioner has been in custody for more than three months and that a charge sheet has been filed containing voluminous documents and there is no likelihood of trial be concluded within a reasonable time frame, the bail application of the co-accused Sanjay Badaya's was granted.

7. It is argued that according to the proviso of Subsection (1) of Section 45 of the PMLA, a person may be released on bail without fulfilling the twin conditions, if the proceeds of crime involved in money laundering, are less than one crore rupees. Furthermore, in this case, the prosecution claims that Rs. 50 lakh were credited to the account of the petitioner's son, M/s Sumangalam Landmark LLP. However, the prosecution has failed to demonstrate that the petitioner was involved in receiving proceeds of crime amounting to Rs. 2.1 crore. There is no explanation from the prosecution regarding the allegation that the petitioner received Rs. 2.1 crore in bribe money and subsequently circulated Rs. 50 lakh through his son Rahul Joshi's firm, M/s Sumangalam Landmark LLP. The petitioner has clarified that the said amount of Rs. 50 lakh was credited to M/s Sumangalam Landmark LLP as a loan and the properties purchased by the petitioner and his family members were acquired legally. Therefore, the petitioner argues that his case falls within the ambit of the proviso appended to Section 45(1) of the PMLA, and based on these facts, his bail application should be granted.



8. The learned counsel for the petitioner places reliance upon following judgements:-

(i). Prem Prakash Vs. Union of India through the Directorate of Enforcement, (2024) 9 SCC 787.

(ii). Raman Bhuraria Vs. Directorate of Enforcement, (2023) 4 HCC (Del) 197.

(iii). Adnan Nisar & Ors. Vs. Directorate of Enforcement, 2024 SCC OnLine Del 6498.

(iv). Mahesh Mittal Vs. Directorate of Enforcement in S.B. Criminal Miscellaneous Bail Application No.13676/2024 dated 04.02.2025.

Submissions made by learned Counsel for the Respondent:-

9. Conversely, learned counsel for the respondent argues for the denial of the bail application to the petitioner, stating that there are sufficient evidence available on record against the accused petitioner to demonstrate his prima facie involvement in the money laundering of the proceeds acquired through the illegal granting of tenders to co-accused Mahesh Mittal and Padam Chand, amounting to Rs. 50 lakhs, and siphoning off approximately Rs. 2 crores.

10. The statements of co-accused Padam Chand, Jain, Sanjay Badaya, and Mahesh Mittal, along with the charge sheet submitted in the predicate offence against them, substantiate that the tenders were procured using fake certificates, and bribes were both offered and received by the petitioner's close associate, Sanjay Badaya. The subsequent investigation by the ED, along with statements from other individuals, further validates that



Sanjay Badaya was indeed a close associate of the petitioner and was actively involved in siphoning off amounts received from Padam Chand and Mahesh Mittal. The petitioner's intermediary and close associate, Sanjay Badaya, received a substantial commission from these individuals for both himself and the petitioner, transferring the funds through intermediaries into the account of the petitioner's son's firm. An amount of Rs. 50 lakhs was deposited into the petitioner's son's account on a specific bank, and the evidence collected unequivocally demonstrates that these individuals had no prior contact or business dealings with the petitioner or his son and statements from various sources support this assertion. Additionally, the individuals from whom the funds were transferred lacked the financial capacity to send such a huge amount, further indicating that the funds deposited in the firm's account were fictitious and manipulated to layer the commission received from the two firms awarded ongoing work orders.

11. The counsel for the respondent contended that an amount of Rs. 5.40 crores was received through Sanjay Badaya, who is a close associate of the petitioner, out of which the petitioner allegedly received Rs. 2.01 crores. The current petitioner's role involved granting undue favours to Mahesh Mittal in securing PHED tenders, followed by the receipt of a bribe amounting to Rs. 5.40 crores, as specifically stated in the second supplementary prosecution complaint at paragraph 10.70.

12. The charge sheet No.215/2023 filed against Mayalal Saini, Mahesh Mittal, Sanjay Badaya, and Piyush Goyal pertains to



alleged offences under the Prevention of Corruption Act, 1988 (in short, '**PC Act**'). A conversation was recorded between Mayalal and an official from the PHED, during which Mayalal mentioned the names of Sanjay Badaya and Mahesh Joshi.

13. It is vigorously argued that the petitioner, through Sanjay Badaya, received various amounts: Rs. 7,50,000 from M/s. Mugdog Packaging India LLP, Rs. 7,50,000 from M/s. Maxclenz Retail Pvt. Limited, Rs. 10,00,000 from M/s. Jay The Victory, and Rs. 20,00,000 from Smt. Renu Gupta, all deposited into the account of the petitioner's son's firm.

14. Furthermore, the petitioner and his son were summoned to explain the source of these funds received in the account of M/s. Sumangalam Landmark LLP. However, they were unable to clarify the origins of the transferred amounts. Additionally, representatives from M/s. Mugdog Packaging India LLP, M/s. Maxclenz Retail Pvt. Limited, and M/s. Triumb Autocare Pvt. Ltd. were also summoned to explain why such significant amount was transferred to M/s. Sumangalam Landmark LLP. During a statement recorded under Section 50 PMLA, Mr. Naman Khandelwal, son of Girraj Prasad Khandelwal, stated that an amount of Rs. 20,00,000 in cash was provided by Sanjay Badaya. This amount was requested to be transferred from the account of M/s. Sumangalam Landmark LLP, with an entry recorded through the bank accounts of his father, Girraj Prasad, and mother Renu Gupta, in the firm M/s. Radhika Dresses. Subsequently, the funds were transferred into Renu Gupta's account and then to M/s. Sumangalam Landmark LLP.



15. Similarly, Deepak Gupta, the proprietor of M/s. Jay the Victory, claimed that cash was deposited into his account by Hemraj Gupta, who informed him that the money belonged to Sanjay Badaya. Following Hemraj Gupta's instruction, the funds were then transferred to the account of M/s. Sumangalam Landmark LLP.

16. It is also contended that Tanmay Goyal, who operates M/s. Triumb Autocare Pvt. Ltd. and M/s. Maxclenz Retail Pvt. Limited, stated that amount of Rs. 7,50,000 and Rs. 5,00,000, respectively, were transferred to the account of M/s. Sumangalam Landmark LLP at the behest of Himanshu Rawat.

17. It is contended that after the investigation, it was found that M/s Mugdog Packaging India LLP and M/s Triumb Autocare Pvt. Ltd had a yearly income of only Rs. 7-8 lakhs. The transfer of such significant amount of Rs. 12.5 lakhs into the account of M/s Sumangalam Landmark LLP clearly indicates that this transfer was made to disguise the amount received by the petitioner as a commission from Mahesh Mittal in his son's account.

18. Furthermore, it is argued that for an offence to fall within the scope of Section 3 of the PMLA, it is not necessary that name of the petitioner be appear in the predicate offence. It is undisputed that an offence under the PC Act was registered against the co-accused namely Mahesh Mittal, Padam Chand Jain, Sanjay Badaya, and Piyush Jain—and that the Anti-Corruption Bureau ('ACB') subsequently filed a charge-sheet against them.

19. It is also contended that the summoning of the petitioner and filing of the complaint against him cannot be grounds to



question the investigation conducted by the Agency. The Agency collected evidence against the petitioner and arrested him after proper verification. Therefore, mere delay in filing the complaint against the petitioner does not constitute a valid reason for granting him bail.

20. Additionally, the claim of parity is misplaced because the other co-accused, Sanjay Badaya and Piyush Jain, were granted bail by the hon'ble Supreme Court due to their prolonged custody and in consideration of the principles enshrined under Article 21 of the Constitution of India. This Court also released the other co-accused, Mahesh Mittal, after determining that there was sufficient evidence to presume his involvement in the crime. However, the period of custody for these accused was extended, and the petitioner cannot be equated with the other accused since he had a central role in orchestrating and facilitating the entire scam.

21. The petitioner, who holds the position of the PHED Minister, is responsible for overseeing public funds and implementing government schemes aimed at supplying water to various regions in Rajasthan. Instead of executing these schemes properly, the petitioner engaged with individuals who obtained tenders without valid certifications and who failed to adequately fulfil the work orders, thereby reaping financial benefits. There involvement in mismanagement and misuse of public funds has undermined public trust. Consequently, granting bail to the other co-accused based on principles of parity is inappropriate. Additionally, the petitioner cannot be equated with the other co-accused,



particularly since the petitioner has only been in custody for three months.

22. The learned counsel for the respondent counters the petitioner's arguments, asserting that the petitioner's case does not fall within the ambit of the proviso appended to Section 45(1) of the Act. It is argued that the appended proviso to Subsection (1) of Section 45 applies only to cases registered under the Customs Act. This provision must be read in conjunction with Clause (ii) of Section 2(1)(y), which defines scheduled offences. It specifically states that, under Part B of the schedule (the Customs Act of 1962), the proviso applies only if the total value involved in such offences is Rs. 1 crore or more. Moreover, the allegations against the petitioner, claiming that he accepted a bribe of Rs. 2.1 crore, significantly exceeds the threshold defined in the proviso appended to Subsection (1) of Section 45 of the PMLA.

23. The learned counsel for the respondent places reliance upon following judgements:-

- (i). *Vijay Madanlal Choudhary and Ors. Vs. Union of India & Ors., (2022) SCC OnLine SC 929.***
- (ii). *Y. Balaji Vs. Karthik Desari and Anr., 2023 SCC OnLine SC 645.***
- (iii). *Tarun Kumar Vs. Enforcement Directorate, 2023 SCC OnLine SC 1486.***
- (iv). *Shyam Sunder Singhvi Vs. Union of India, Petition for Special Leave to Appeal (Crl.) No.792/2020.***

Legal Position:



24. There is no dispute regarding the Law cited by both parties. It is trite law that the court must take into consideration the twin conditions outlined in Section 45 of the Act when reviewing a bail application. Adhering to the strict requirements of Section 45 is essential to achieve the objectives of the PMLA. However, the constitutional court has the authority to grant bail to the accused under the PMLA in accordance with Article 21 of the Constitution, provided that the facts and circumstances of the case warrants for the same.

25. The statements recorded under Section 50 of the PMLA are unequivocally admissible in court. Unlike provisions in some other laws, PMLA investigating officers are not classified as police officers. Therefore, the restrictions imposed by Section 25 of the Indian Evidence Act, which pertains to the admissibility of confessions made to police officers, do not apply to statements made under Section 50 of the PMLA. However, it is important to note that the evidential weight of these statements is typically weak and requires corroboration by additional evidence.

26. Statements made during custody under Section 50 of the PMLA require thorough scrutiny. They may be considered inadmissible against the accused if individuals are not properly informed of their rights.

27. The evidential value of a Section 50 statement is closely tied to the legality of the investigation. If the investigation contains flaws or procedural errors, the credibility of the statement is significantly compromised.



28. The prosecution must establish guilt through evidence that goes beyond mere statements made under Section 50 of PMLA and independent evidence is essential for securing a conviction.

29. The assessment of evidential strength of Section 50 statement's is conducted on a case-to-case basis, taking into account the specific facts and circumstances of each situation.

30. Furthermore, proceedings under Section 50(2) and (3) are regarded as judicial proceedings under Sections 193 and 228 of the Indian Penal Code, 1860. This means that individuals who provide false information or refuse to cooperate during these proceedings may be held liable for perjury or obstruction. Additionally, statements recorded by authorities with quasi-judicial powers, such as the ED, are considered admissible in court.

31. Once a statement is recorded under Section 50, it is presumed to be true unless proven otherwise. This places the burden of disproving the authenticity or veracity of the statement on the accused, particularly under Section 24 of the PMLA, which mandates a reverse burden of proof on the accused. Statements made under oath before ED officers are legally binding and are treated as evidence recorded in a court of law.

32. The rationale behind giving these statements elevated probative value lies in the complexities involved in investigations, as wrongdoers often do not disclose the truth and attempt to obscure the origin of the money received as proceeds of crime.

33. It is a challenging task for the investigating agency to uncover the truth and hold accountable those involved in the



placement, layering, and integration of proceeds of crime in a coordinated manner.

34. Therefore, statements recorded under Section 50 of PMLA from the alleged culprits by the Enforcement Agency are utilised to discredit and contradict their defences, if any. The court doesn't need to accept all statements while determining the culpability of the individual involved in the crime. The court may rely on portions of these statements from various wrongdoers to establish their guilt, and statements that exonerate the accused should not be the sole basis for consideration. Furthermore, Section 24 of the Act imposes a reverse obligation upon the accused to disprove the commission of the offence.

35. In summary, while statements under Section 50 of the PMLA are admissible as evidence, their impact in court is not absolute. The prosecution must provide corroborating evidence and demonstrate that the investigation followed legal protocols to effectively use these statements to establish guilt beyond a reasonable doubt.

36. In light of the aforementioned law, the court must examine whether the prosecution has provided sufficient evidence to establish, at first glance, that the petitioner, Mahesh Joshi, who was the then Minister of PHED, conspired with co-accused Sanjay Badaya. They allegedly collaborated with Mahesh Mittal and Padam Chand Jain to obtain a contract under the Jal Jeevan Mission. It is claimed that through his close associate Sanjay Badaya, Mahesh Joshi received a commission of Rs. 2.01 crores,



which was subsequently concealed or misrepresented as untainted money.

Allegations Against the Petitioner:-

37. Mahesh Joshi, during his tenure as the Minister of the PHED, allegedly colluded with co-accused Sanjay Badaya to facilitate the procurement of a contract under the Jal Jeevan Mission for co-accused Padam Chand Jain and Mahesh Mittal. It is claimed that Joshi received a commission of Rs. 2.01 crores out of Rs. 5.40 crores, which was funnelled through Sanjay Badaya, and subsequently laundered these funds.

Evidence Collected by the Investigating Agency Against the Petitioner:-

38. **The evidence against the petitioner is outlined as follows.**

39. The petitioner held a position within the Ministry of PHED at the relevant time.

[A] Proximity to the Co-Accused and Role in the Predicate Offence Under PMLA:-

40. To establish the close connection between the petitioner and the prosecution's main co-accused, Sanjay Badaya, the investigation has relied on statements made by various co-accused under Section 50 of the PMLA. The notable statements include those made by:

- Piyush Jain (dated 01.03.2024)
- Padam Chand Jain (dated 15.06.2024)
- Mahesh Mittal (dated 21.06.2024)
- Maya Lal Saini (dated 22.04.2024)



- Vishal Saxena (dated 11.09.2023)
- N.P. Soni (dated 05.02.2024)
- Rakesh Luhdia (dated 24.07.2024)
- Naman Khandelwal (dated 06.06.2024)

ANALYSIS:-

41. These statements collectively establish the petitioner's close association with Sanjay Badaya. The significance of these statements and the potential implications of any retractions will be assessed during the trial; however, for the purposes of considering bail, their probative value does not need to be fully analysed at this stage.

42. The prosecution has presented evidence regarding the financial status of Sanjay Badaya before the petitioner's tenure in the Ministry of PHED, indicating that Badaya had no discernible source of income. Additionally, Sanjay Badaya was neither a contractor of PHED nor held any official position in this context.

[B] Role of Sanjay Badaya in the Predicate Offence & Under PMLA:-

43. The investigation conducted by the ACB has established a prima facie connection between Sanjay Badaya and the primary beneficiaries who obtained tenders under the Jal Jeevan Mission by using fake and fabricated IRCON certificates, specifically Padam Chand Jain and Mahesh Mittal. The investigation revealed that Sanjay Badaya received Rs. 5.40 crores from the primary accused.

ANALYSIS:-

44. There is evidence of unexplained transfers of substantial amount into the accounts of Sanjay Badaya and his family



members, along with the accumulation of immovable property, which supports the conclusion that he received these funds from the main beneficiaries to illegally provide benefit to Padam Chand Jain and Mahesh Mittal. The prosecution has indicated that Rs. 1 crore was transferred to Sanjay Badaya by Mahesh Mittal. Furthermore, co-accused Piyush Jain, in his statement recorded under Section 50 of the PMLA, affirmed that a bribe of Rs. 5.40 crores was paid to Sanjay Badaya.

[C] Petitioner's Role in the Alleged Offence and Receiving ₹50 Lacs in His Son's Firm (M/S Sumanglam Private Limited) and accumulating Immovable property:-

45. To substantiate the claims, the investigating agency relies on a telephonic conversation involving Mayaram, an official of PHED who has been charged by the ACB for receiving bribes from Mahesh Mittal and Padam Chand Jain. The charge sheet submitted against the associated firms indicates that they procured tenders using fake certificates, which constitutes a scheduled offence under the PMLA.

ANALYSIS:-

46. The financial flow involving placement, layering, and integration of funds has been illustrated in the complaint that traces the path of money from Padam Chand Jain and Mahesh Mittal through officials of the PHED, including Sanjay Badaya, to the present petitioner. The prosecution has provided sufficient evidence suggesting that Rs. 1 crore was transferred to Sanjay Badaya by Mahesh Mittal. Additionally, co-accused Piyush Jain stated in his recorded testimony that a bribe of Rs. 5.40 crores



was paid to Sanjay Badaya, who allegedly misappropriated these funds for purchasing property in Vimalpura, Tehsil Sanganer, Jaipur.

47. The financial transactions involving the petitioner's son's firm, Sumanglam, from 04.07.2023 to 18.05.2023, indicate that Rs. 50 lacs was credited to the firm's account, likely at the behest of Sanjay Badaya or his associates. These transactions occurred in the account of the petitioner's son without legitimate justification. The individuals or firms involved in these transactions neither had any business dealings nor any connection with the petitioner or his son. Statements from individuals such as Girraj Prasad Gupta (dated 21.05.2024) Naman Khandelwal, Deepak Gupta dated 21.05.2024, Hemraj Gupta dated 11.03.2025, Tanmay Goyal dated 10.03.2025, Himanshu Rawat dated 12.03.2025 and Rohit Joshi recorded on 28.03.2025, coupled with their account entries collected by the investigation agency unequivocally establish that the entries in their accounts to the petitioner's son's firm account were nothing but an unlawful integration of money accumulated and acquired through unlawful means.

48. The statements made by the petitioner and his son, recorded under Section 50 of the PMLA, fail to clarify the substantial amount received in the account. The petitioner's defence that the credited amount in the firm is a loan lacks valid proof and is insufficient to support such claim. It is hard to believe that an unknown individual or firm would provide such a huge amount to the firm without any documentation or legitimate reason.



49. Statements from individuals whose personal accounts transferred funds to the account of M/s Sumangalam Landmark LLP confirm that an amount of Rs. 50,00,000/- was credited to the account of the firm managed by the petitioner's son, Rahul Joshi.

It has also come to light that Tanmay Goyal, a businessman with an annual income of only Rs. 7 to 8 lakh, transferred Rs. 7.5 lakh through his company, M/s Mugdog Packaging India LLP; Rs. 5 lakh through M/s Triumb Autocare Pvt. Ltd.; and Rs. 7.5 lakh through M/s Maxclenz Retail Pvt. Ltd. In his statement under Section 50 of the PMLA, he explicitly stated that his companies have no business relationship with M/s Sumangalam Landmark LLP and that he does not know the petitioner Mahesh Joshi or his son Rohit Joshi. He further indicated that the amounts were transferred at the direction of Himanshu Rawat.

50. Himanshu Rawat, a close associate of the petitioner, stated in his statement under Section 50 of the PMLA that he instructed Tanmay Goyal and Hemraj Gupta to provide bank entries to M/s Sumangalam Landmark LLP. He specifically noted that these entries were organised by him at the request of Mahesh Joshi and Sanjay Badaya. He made it clear that there was no agreement for the transfer of money, and no payments were made for these entries. When confronted with Himanshu Rawat's statements, the petitioner claimed that he had merely requested the transfer of money to Himanshu Rawat.

51. Additionally, the Investigating Agency examined the accounts maintained by M/s Sumangalam Landmark LLP and found that Rahul Joshi, who manages the firm, admitted to having no



significant sources of income between 2022 and 2024. The petitioner's son, Rohit Joshi, was confronted with the details of these transactions but was unable to provide any documentary evidence or payment records. Rohit Joshi acknowledged that he did not know the individuals or firms through which the amounts were credited to his account, admitting that these funds were arranged either at the behest of his father, the petitioner, or through intermediaries like Himanshu Rawat and other associates.

52. The immovable properties purchased by the petitioner's son's firm remain unexplained. The firm's account shows an income of only Rs. 3.13 lakhs as of the specified date. Additionally, the other partner in the firm has not contributed any funds. This partner was incorporated at the petitioner's instance, as he is the son of the petitioner's friend. Even if we assume that some loan amount has been taken from the bank, the firm lacks the means to repay the principal amount along with the interest incurred.

Court's Assessment on the Grounds Argued by the Petitioners' Counsel:-

53. Consequently, the above evidence clearly demonstrates the petitioners' involvement in the alleged offence, and there is nothing at this stage to suggest that the petitioner did not commit the crime.

54. The investigation into the corruption case has revealed significant misconduct involving co-accused Padam Chand and Mahesh Mittal, who are alleged to have secured government tenders through unethical and corrupt practices. It has come to light that a close associate of the petitioner, Sanjay Badaya, was



implicated in receiving bribes from contractors, which facilitated the manipulation of official assignments to favour certain individuals or entities. This connection raises substantial concerns regarding the petitioner's integrity and involvement in these corrupt dealings.

55. The defence's argument that the corrupt activities of the co-accused occurred before the petitioner assumed a ministerial position do not diminish the weight of the investigative findings. The timeline of the alleged corrupt acts does not lessen the links drawn between the petitioner and the aforementioned wrongdoers, as the accumulation of evidence indicates a network of corruption.

56. Furthermore, the defence argues that there is absence of charge-sheet filed against the petitioner in the predicate offence, claims of delays in the investigation process, the issuance of multiple notices before any formal prosecution, the failure to take action against other alleged culprits, retraction of statements by certain co-accused, and presented contradictions related to statements recorded under Section 50 of the PMLA. However, these claims do not effectively undermine the substantial and compelling evidence that connects the petitioner to the alleged criminal activities. Likewise, the arguments that the petitioner's case falls under the appended proviso of section 45(1) of the PMLA also lacks merit as the amount quantified as crime proceeds exceeds the threshold amount of one crore. Moreover, the proviso appended is discretionary & not mandatory. The Respondents' counsel mistakenly argues that the threshold limit specified in the



appended proviso applies only to the Customs Act. However, even if we assume that the proceeds of crimes fall under this threshold limit, this Court does not find it appropriate to exercise discretion in favour of the petitioner.

57. The argument regarding the principle of equality claiming that bail has been granted to other co-accused by both the Hon'ble Supreme Court and by this Court fails to strengthen the petitioner's position in this case. This arises from the clear distinction in the roles and responsibilities held by the petitioner compared to the other individuals facing similar charges. The responsibilities associated with the petitioner's role within the governmental department carry a weight that is not comparable to those of other accused parties, especially in light of the serious nature of the allegations involved.

58. Additionally, the expression "*A fence eating the crop*" serves as a concerning caution in this context. It illustrates that the petitioner, in a position of power and responsibility, has not upheld the integrity and trust that are vital for someone in a high-ranking governmental role responsible for the diligent execution of public duties. The criminal misconduct attributed to the petitioner represents a grave breach of duty that is both disconcerting and intolerable in the public sphere.

CONCLUSION:-

59. In conclusion, the bail application of the petitioner stands dismissed.

(PRAVEER BHATNAGAR),J

Ashwani Kr Srivastava /-12