State Vs. Satyender Kumar Jain
Bail Matter No. 238/2026;
CNR No. DLCT11-1273-2026

FIR No. 10/2024
U/s 7/7A/9/13 of POC Act r/w 420/409/418/120-B of IPC
PS Anti-Corruption Branch (GNCTD)

03.09.2026

ORDER ON APPLICATION FOR REGULAR BAIL OF SATYENDER KUMAR JAIN (A-1)

1. The subject matter of this order is a regular bail application of accused Satyender Kumar Jain U/s 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS) (corresponding to Sec. 439 of the Cr.P.C). The applicant was arrested along with five other accused on 18.08.2026 by the Anti-Corruption Bureau (ACB) of GNCT of Delhi in connection with FIR No. 10/2024 registered on 11.05.2024 U/s 7, 7A, 9, 13 of the Prevention of Corruption Act, 1988 (PC Act) r/w Sec. 409/418/420/120B of the Indian Penal Code (IPC). The applicant/accused was produced before this Court on 19.08.2026 and was remanded to Judicial Custody (JC). He is in JC since then.

2. The status of all the accused arrested so far is set out below for better understanding of the facts.

- **Satyender Kumar Jain (A-1/applicant):** was the Minister of Water of the GNCTD and the Chairman of the Delhi Jal Board (DJB) at the relevant time.
- **Udit Prakash Rai (A-2):** An IAS officer was the Chief Executive Officer (CEO) of the DJB.
- **Nagendra Yadav (A-3):** The proprietor of M/s A.N. Enterprises, a private individual alleged to have acted as a key middleman and conduit for illicit funds.

- **Raja Kumar Kurra (A-4):** A director of M/s Euroteck Environmental Private Limited (Euroteck/EEPL), a private contractor and technology provider.
- **Pankaj Verma (A-5):** The proprietor of M/s Srijanhar Enterprises, a private individual and the nephew of one Vinod Chauhan, an alleged close associate and neighbour of Satyender Jain.
- **Ankit Srivastava (A-6):** A private individual who served as a consultant to the DJB.

3. The present FIR arose from a reference dated 10.05.2024 from the Directorate of Vigilance, GNCTD, alleging a corruption scam in the DJB. The allegations pertain to the tendering process and the subsequent award of contracts for the augmentation and upgradation of ten (10) Sewage Treatment Plants (STPs) across Delhi. The 10 STPs were divided into 4 blocks/packages. The project estimates, which initially stood at Rs. 1546.32 Crores at the block estimate stage in February 2022, were escalated to Rs. 1938 Crores at the contract stage, resulting in the award of contracts in July 2022 to a select cartel of three joint ventures (JVs). It is alleged that public servants from DJB were in league with private contractors, technology providers, and intermediaries, manipulating tender conditions, inflating cost estimates, imposing restrictive conditions, and diluting environmental standards to ensure that the contracts were awarded to a select cartel, resulting in wrongful loss to the public exchequer and wrongful gains to the private entities.

4. The following irregularities are alleged:-

4.1. On 07.10.2021, Chief Engineer S.C. Vashishth prepared an official technical proposal to upgrade the capacity of the Rohini STP from 15 to 25 Million Gallons per Day (MGD) at an estimated cost of Rs. 90 Crores. On 14.10.2021, Satyender Jain wrote directly on the official note-sheet, arbitrarily increasing the capacity from 15 to 30 MGD and escalating the estimated cost to Rs. 147 Crores. This ad hoc change was approved without any technical feasibility study or official recommendation, thereby imposing an unnecessary burden of Rs. 57 Crores on the public exchequer.

4.2. On 01.12.2021, Satyender Jain chaired an official meeting attended by CEO Udit Prakash Rai (A-2) and Advisor Ankit Srivastava (A-6). During the meeting, Jain directed the withdrawal of all five pre-existing individual STP tenders. He ordered that the rehabilitation and augmentation of the 10 STPs be grouped into blocks of 2 to 3 plants each and mandated the exclusive use of Integrated Fixed Film Activated Sludge (IFAS) technology. This proprietary technology was promoted directly by Euroteck.

4.3. On 03.12.2021, Jain approved a technical note reorganising the 10 STPs into multi-plant packages. In doing so, he arbitrarily included the Rohini STP (25 MGD, Rs. 130 Crores) and the Narela STP (15 MGD, Rs. 78 Crores) in packages, while excluding the Okhla Phase-V STP (16 MGD, Rs. 85 Crores). Allegedly, this ad hoc restructuring increased the net estimated cost of Package III by Rs. 123 Crores. Allegedly, the selection of STPs and their capacities was done on an ad hoc basis, without individual Detailed Project Reports (DPRs) or technical feasibility studies and their augmented capacities were increased without any factual examination.

4.4. During meetings on 21 & 23 December 2021 to finalise the project's Terms of Reference (TOR), Jain directed that the technical specifications be limited exclusively to "IFAS with fixed media only," deliberately excluding ‘floating media MBBR systems’ to restrict the technology domain to Euroteck's proprietary equipment.

4.5. Although "floating media" was initially permitted in early project drafts, CEO Udit Prakash Rai (A-2) approved Corrigendum No. 1 on

12.02.2022, which codified the "fixed media only" restriction. This highly specific condition prevented wider participation. Alternative queries from other genuine bidders were ignored. It ensured that only three JVs, all of which had signed exclusive Memorandum of Understanding (MoUs) with Euroteck as their technology provider, could meet the technical eligibility criteria.

4.6. The primary objective of the STP upgradation project was to meet water quality standards mandated by the National Green Tribunal (NGT) and the Supreme Court of India, specifically to achieve Total Nitrogen (TN) levels below 10 mg/l. Satyender Jain had initially approved this TN < 10 mg/l standard on 14.10.2021, following the recommendation of CEO Udit Prakash Rai and Member (Drainage) Ajay Gupta. However, on 28.12.2021, Chief Engineer S.C. Vashishth proposed relaxing or removing the requirement for TN < 10 mg/l and reducing the oxygen transfer requirement for aerators from 4 kg/Kwh to 2 kg/Kwh to encourage competitive bidding. Vashishth noted that achieving 4 kg/Kwh at water depths of 3.5 to 4 meters was highly restrictive and prevented open competition.

4.7. However, on 30.12.2021, Satyender Jain rejected the proposal to open the aerator competition and returned the note-sheet for discussion, maintaining the restrictive 4 kg/Kwh condition. This decision ensured that Euroteck's exclusive AIRE-O2 aerator was the sole compliant equipment across all bids. Simultaneously, Jain approved the dilution and complete removal of mandatory CPCB environmental parameters, specifically pH, Chemical Oxygen Demand (COD), and Total Nitrogen, from the Notice Inviting Tender (NIT). Omitting the Total Nitrogen standard allowed contractors to bypass the expensive denitrification process, drastically reducing project capital costs to the benefit of Euroteck while compromising water quality and delivering sub-standard water treatment.

4.8. The prosecution details further manipulations in the project as follows:

4.8.1. *Ad-Hoc Cost Estimation*: The cost estimates for all 10 STPs were prepared based on the Rohini STP, which required both upgradation and 100% capacity augmentation (calculated at Rs. 5.155 crore per MGD). This high rate was applied uniformly to 5 STPs that required only upgradation, despite a separate Detailed Project Report (DPR) for the Kondli STP (which required only upgradation and was valued at Rs. 4.92 Crore per MGD). Applying the actual Kondli rate would have reduced the project cost by at least Rs. 74 Crores.

4.8.2. *Deliberate Exclusion of Sludge Treatment*: Globally, sewage treatment projects include sludge treatment (including digesters, gas holders, centrifuges, and sludge drawing beds) in a single contract to fix accountability and lower capital and operational costs. However, sludge treatment was deliberately excluded from the contractors' scope of work in these tenders. This reduced contractors' capital costs while severely disadvantaging the DJB, which must engage separate contractors at a higher financial burden.

4.8.3. *Unauthorised Administrative Approval*: On 14.01.2022, Satyender Jain individually granted formal administrative approval for the block estimate of Rs. 1,546.32 Crores. The prosecution alleges that Jain lacked the statutory authority to approve a project of this scale, and that only the board of DJB could have approved the estimate.

4.9. WhatsApp logs and electronic records recovered from the mobile device of middleman Nagendra Yadav (A- 3) reveal collusion between public officials and the private contractor during the active tendering process, as follows:

4.9.1. *Corrigendum No. 1 (12.02.2022)*: The Notice Inviting Tender (NIT) was floated on 11.02.2022, with the media segment open to both fixed and floating media. On 12.02.2022, Advisor Ankit Srivastava (A-6) shared the exact text of Corrigendum No. 1 (which restricted specifications to "fixed media only") with Raja Kumar Kurra (A-4) via WhatsApp at 11: 40 AM. This occurred nearly six hours before the corrigendum was officially uploaded to the Government's e-tendering portal at 5:02 PM. Kurra responded immediately, writing "*It is a good news*" and "*thank you so much sir*".

4.9.2. *Corrigendum No. 8 (12.04.2022)*: Upon objections and complaints from competing technology providers, the DJB temporarily relaxed certain restrictive specifications. To neutralise these complaints and restore Euroteck's monopoly, Raja Kumar Kurra (A-4) sent the draft text of a new corrigendum to Nagendra Yadav (A-3) via WhatsApp on 12.04.2022 at 8:55 AM with the message "*sir dalvado*". Later that same day, at 6:42 PM, the exact same text was uploaded on the DJB portal as Corrigendum No. 8.

4.9.3. *Corrigendum No. 9 (April 15-16, 2022)*: On 15.04.2022, Kurra (A-4) sent a PDF file titled "*Corrigendum for Qualification Criteria. doc*" to Yadav via WhatsApp with the message "*Sir pls karvadena*". On 16.04.2022, this exact document, which defined bidder experience and financial criteria, was uploaded to the DJB portal as Corrigendum-9, indicating that the public tender criteria were being drafted directly by the private beneficiary.

4.10. *Fabricated Bidder Experience Certificates*: To secure technical eligibility, the tender mandated experience with a 10 MGD capacity IFAS plant. This condition was customised to match a single project executed by Euroteck in Taiwan. All three JVs submitted identical experience certificates for this Taiwan project. The certificates were not verified through the Embassy; they were issued on only two specific dates; they contained identical content except for the JVs' names; and they contained the same spelling error in the word "experience".

4.11. The prosecution claims that Euroteck allegedly funnelled bribes and kickbacks to public servants and individuals, amounting to Rs. 4.66 crore. The prosecution alleges that Vinod Chauhan served as the key middleman, leveraging his relationship with Jain to secure DJB contracts for Euroteck in exchange for illicit funds.

4.11.1. On 22.12.2021, coinciding exactly with the critical TOR meetings, Euroteck, represented by Kurra (A-4), entered into a sham supervision and marketing agreement with M/s Srijanhar Enterprises. Srijanhar was a sole proprietorship owned by Pankaj Verma (A-5), the nephew of Vinod Chauhan. The investigation established that Srijanhar performed no actual marketing or promotional work for Euroteck. Instead, the agreement served as a front through which Euroteck transferred Rs. 2.71 crore between April 2022 and April 2024. Pankaj Verma (A-5) systematically re-routed these funds to various sham sister firms:

a) Rs. 1.22 crore was transferred to M/s Dhanvine Engineering Pvt. Limited. Dhanvine subsequently paid Rs. 81 Lakhs directly to Vinod Chauhan.

b) Rs. 15 Lakhs was routed to M/s Digamberdeep Engineering.

c) Rs. 43 Lakhs was transferred to M/s A.N. Enterprises, the sole proprietorship of Nagendra Yadav (A-3).

4.12. Nagendra Yadav (A-3) separately received approximately Rs. 1.95 crore in his bank accounts from various entities connected to Euroteck. On 19.01.2023, Yadav transferred Rs. 61 lakh directly through banking channels into the personal bank account of CEO Udit Prakash Rai (A-2). He also transferred another Rs. 91 Lakhs to Rai's mother-in-law, which was allegedly used to purchase immovable properties.

4.13. In addition to the banking channels, the prosecution recovered digital evidence of cash transactions coordinated through Hawala networks.

On 07.05.2022, Vinod Chauhan sent two WhatsApp messages to Nagendra Yadav containing the serial number '39F229573' of an Indian currency note of denomination Rs. 10, and the name of the hawala operator in Delhi (Rocky). Yadav forwarded these details to Euroteck MD Raja Kumar Kurra (A-4) on the same day. Kurra responded to Yadav with the number "75" (confirming Rs. 75 Lakhs in cash) and shared the currency note details to confirm physical delivery and receipt of the cash, which Yadav subsequently acknowledged.

5. From the prosecution's allegations, the core case against the applicant is that he conspired with key public servants (including CEO Udit Prakash Rai (A-2) and consultant Ankit Srivastava (A-6)) and private individuals (representing M/s Euroteck and the JVs) to manipulate the bidding guidelines. They restricted open competition, diluted mandatory environmental safeguards, and inflated the costs of technological upgradation. Through these actions, they funnelled illegal kickbacks into accounts linked to his close neighbour Vinod Chauhan and his family's sham entity, M/S Srijanhar Enterprises.

6. The Ld. Senior Counsel Sh. N. Hariharan for the applicant argued that the arrest of the applicant is illegal, arbitrary, and a gross abuse of power. The grounds and contentions raised by the applicant are;

a) That no kickbacks or proceeds of crime could be traced to the applicant till now; no recovery has been effected, and no bribe amount has been traced to the applicant. The allegations that Srijanhar Enterprises received kickbacks through Pankaj Verma (A-5), the nephew of Vinod Chauhan, the neighbour of the accused/applicant, are highly speculative and do not connect to the applicant.

b) The FIR was registered 27 months ago; during this period, no custodial interrogation was even sought; the applicant was called only twice. The applicant did not abscond; he complied with both the Notices received by him for joining the investigation on 07.08.2026 &

18.08.2026, and therefore there was no sudden change in circumstances warranting the applicant's arrest.

c) That no custodial interrogation of the applicant was sought by the investigating agency when the applicant was first produced in the Court on 19.08.2026 or thereafter till now; only judicial custody was sought. Consequently, there is no requirement to subject the applicant to custody, in the absence of any requirement of custodial interrogation, confrontation, or physical recovery. Relying on the case of *Satender Kumar Antil Vs. CBI (2022) 10 SCC 51*, it is contended that incarceration cannot be applied mechanically when no police remand is even sought.

d) The applicant is not a flight risk. He is an ex-MLA and a former Cabinet Minister of the Legislative Assembly of Delhi with deep roots in society. He has diligently appeared not only when called for during the investigation of this case, but also in other investigations & trials. There is no risk of his fleeing from justice.

e) The entire case of the prosecution is primarily documentary in nature in the form of official files, note sheets, bidding registers, draft & corrigendums of DJB, bank records, which are already in the custody of the investigating agency of the present matter as well as DOE. Therefore, there is no reasonable apprehension of tampering with the evidence or its destruction, particularly when the applicant is no longer an elected MLA or a part of the Government.

f) DoE had already conducted an extensive investigation into the identical alleged proceeds of crime, and DoE shared its findings with the ACB in July & November 2025. DoE has even filed its complaint in December 2025, without arresting any accused, including the applicant. Even in that case, no proceeds of crime could be traced to the applicant.

g) The applicant held as many as 8 portfolios at the relevant time, including the portfolio of the Minister of Water. The applicant, who is not a technical expert, cannot be saddled with the responsibilities merely because he gave approvals, particularly when the note sheets, etc., were initiated and put forth by the technical persons of DJB, and before those notes, etc. reached the applicant's table, they were signed by senior technical and Executive Officers, including the Chief Engineer and the CEO. The applicant signed the technical files, including those relating to the capacity of the Rohini STP and the inclusion of fixed media, based on official technical recommendations prepared by the Chief Engineer, S. C. Vashisht, and endorsed by the CEO, Udit Prakash Rai (A-2). A Minister cannot be prosecuted merely for agreeing with the technical notes of the department's experts.

h) The applicant relies on the cases of *Arnesh Kumar Vs. State of Bihar (2014) 8 SCC 273; Mihir Rajesh Shah Vs. State of Maharashtra & Anr. (2026) 1 SCC 500; Vihaan Kumar Vs. State of Haryana (2025) 5 SCC 799; Prabir Purkayastha Vs. State (2024) 8 SCC 254; Joginder Vs. State of UP (1994) 4 SCC 260; Kalyan Chand Sharkar v. Rajesh Ranjan alias Pappu Yadav (2004) 7 SCC 528; State of UP v. Amarmani Tripathi (2005) 8 SCC 21; Sanjay Chandra v. CBI (2012) 1 SCC 40; and Dataram Singh v. State of UP (2018) 3 SCC 33*. Based on those precedents, the applicant claims that bail is the rule and jail is the exception, and that pre-trial detention cannot be used as an advance form of punishment.

i) Based on the case of *Chanda Deepak Kochar Vs. CBI 2023 SCC Online Bombay 72,* it is claimed that merely because an accused does not confess, it cannot be said that he did not cooperate with the investigation; investigations cannot be used as a tool of harassment; the power to arrest is different from the justification for doing so; arrest cannot be made in a routine manner, as it can cause incalculable harm to a person's reputation and self-esteem; the presumption of innocence is a facet of Article 21 of the Constitution of India, which would inure to the benefit of an accused; the absence of reasons for arrest in the arrest memo and grounds of arrest, and mechanical and perfunctory reasons casually mentioned, would indicate non-application of mind.

j) The applicant also relies on the case of *Dileepbhai Nanubhai Sanghani Vs. State of Gujarat 2025 SCC Online SC 441*, where the allegation was that the state policy required a tender process, but the minister sanctioned the grant of fishing rights at an upset price, allegedly misusing his authority, and that no offence under the PC Act was disclosed.

k) The applicant also relies on the cases of *DDA Vs. Hello Home Education Society 2024 INSC 33; Small Scale Industrial Manufacturers Association Vs. Union of India (2021) 8 SCC 511; and M/s Parag Ice & Oil Mills Vs. Union of India (1978) 3 SCC 459*, to emphasise that courts cannot doubt or strike down a public policy merely because a better policy could have evolved or a different policy would have been wiser, fairer, or more logical; the scope of judicial review in economic policy decisions is limited; judges are not experts in economic and fiscal regulatory matters; the function of the court is to ensure that lawful authority is not abused; and unless a decision taken on file is converted into a final order, mere notings and in-principle approvals do not confer any right.

7. On the other hand, the prosecution strongly opposes the bail application, arguing that the applicant was the mastermind behind the entire tender manipulation. The prosecution claims that there is specific, direct and documentary material against the applicant which disentitles him from claiming bail, as enlisted hereunder;

7.1. On 14.10.2021, the applicant modified the proposal to increase capacity to 30 MGD at a highly inflated cost of Rs. 147 Crores. This change was made without any feasibility study or technical recommendations, imposing an additional burden of Rs. 57 Crores on the exchequer.

7.2. On 03.12.2021, the applicant approved a technical note that restructured the 10 STPs into multi-plant packages. In doing so, he arbitrarily included the Rohini STP (25 MGD, Rs. 130 Crores) and Narela STP (15 MGD, Rs. 78 Crores), while excluding Okhla Phase-V STP (16 MGD, Rs. 58 Crores) from the upgradation. This ad hoc restructuring increased the net estimated cost of Package III by Rs. 123 Crores without any rational basis.

7.3. Prosecution argues that the applicant approved a proposal to completely remove or relax the TN < 10 mg/l, pH, and COD parameters from the NIT. This dilution bypassed the expensive denitrification process, drastically lowering Euroteck's project costs while compromising water safety standards.

7.4. That on 28.12.2021, the Chief Engineer S. C. Vashisht proposed relaxing the oxygen transfer requirement for aerators from 4 Kg/Kwh to 2 Kg/Kwh to encourage competitive bidding, noting that the said standard at water depths of 3.5 to 4 meters was highly restrictive. However, on 30.12.2021, the applicant rejected this proposal, effectively ensuring that Euroteck’s exclusive AIRE-O2 make Aerator was the sole compliant equipment across all bids.

7.5. The applicant granted administrative approval on 14.01.2022 for the block estimate of Rs. 1546 Crores, whereas under the DJB Act and the Rules of Competence, projects of this scale fell under the sole authority of the ‘Board’ of DJB.

7.6. That the WhatsApp messages between Nagendra Yadav (A-3), Raja Kumar Kurra (A-4) and Ankit Srivastava (A-6) indicate the sharing of the corrigendums, etc.

7.7. Applicant is a neighbour of Vinod Chauhan, who is the uncle of Pankaj Verma (A-5). Without any work, M/S Srijanhar Enterprises, owned by Pankaj Verma, received Rs. 2.71 Crores in kickbacks, which were layered through sister concerns of M/s Srijanhar. Rs. 81 Lakhs were received by Vinod Chauhan from Dhanvine. Thereafter, some WhatsApp chats indicate that Vinod Chauhan engaged in a hawala transaction by sending a currency note's serial number to Nagendra Yadav, who forwarded it to Kurra (A-4). Kurra responded with '75 (confirming Rs. 75 Lakhs in cash) and sent the currency note details back, thereby completing the illegal cash channel.

7.8. The prosecution highlights the applicant's evasive response and non-cooperative conduct during interrogation. Although he appeared when called on 07.08.2026, he requested it to be deferred until 18.08.2026. On 18.08.2026, when he was confronted with the note sheets/files, he refused to co-operate and claimed that his actions were decisions taken in good faith as a non-expert on technical matters.

7.9. The prosecution also characterises the applicant as a habitual offender, claiming that he is involved in 6 other criminal cases, apart from the present one and a case in which a closure report has been accepted.

7.10. Prosecution relies upon the case of *Nimmagadda Prasad Vs. CBI 2013 (7) SCC 446 and the case of Neeru Yadav Vs. State of UP AIR 2015 SC 3703.* In the case of *Nimmagadda Prasad*, relying on the case of *State of Gujarat Vs. Mohanlal Jitamalji Porwal and Anr. (1987) 2 SCC 364*, it was observed that while granting bail, the Court has to keep in mind the nature of the accusations, the nature of the evidence in support thereof, the severity of the punishment which conviction will entail, the character of the accused, circumstances which are peculiar to the accused, the reasonable possibility of securing the presence of the accused at the trial, the reasonable apprehension of the witnesses being tampered with, the larger interest of the public/State, and other similar considerations. It was also held that economic offences constitute a class apart and need to be dealt with differently in matters of bail. Economic offences causing huge losses of public funds need to be viewed seriously and treated as grave offences that affect the country's economy as a whole and pose a serious threat to the country's financial health. In the case of *Nimmagadda*, the allegations against the accused were apparently very serious, involving gratification amounting to Rs. 855 crores through the allotment of a large chunk of land to a particular person.

7.11. The case of *Neeru Yadav (supra)* was a murder case, with several similar robbery/murder/kidnapping/Arms Act/Gangster Act cases against the accused in that case.

8. After careful consideration of the facts, contentions of both sides, and considering the material on record prima facie, this Court is of the opinion that the applicant's regular **bail application deserves to be allowed, for the following reasons**:

8.1. Firstly, the unexplained and extraordinary delay of 27 months between the registration of FIR No. 10/2024 (11.05.2024) and the applicant's arrest (on 18.08.2026) indicates that the investigating agency did not consider his physical custody necessary for over two years. The prosecution has failed to identify any new or sudden intervening circumstance that warranted his arrest after such a prolonged gap. Not much seems to have been achieved in the investigation during this long period besides collecting replies/responses and documents. When an investigating agency has conducted its investigation for years without arresting an accused, and the accused has joined the investigation process, a sudden arrest at the tail end of the investigation, without strong reasons and without a change in circumstances, tends to invite criticism that it is arbitrary.

8.2. Secondly, the entire case rests on official documentary and electronic evidence. The notes, files, technical proposals, minutes of meetings, and bank transaction statements, etc., have already been seized by the ACB and the DoE, which has even filed its Complaint under PMLA in December 2025. The documentary evidence is already in safe custody, rendering any apprehension of evidence tampering, destruction or concealment completely groundless. As regards the ACB's claim that there is a possibility of tampering with evidence or influencing witnesses, no specific instance during the investigation of the present case over the past more than 27 months has been put forth, and the said claim seems to be nothing but a stereotyped one.

8.3. Thirdly, the primary purpose of pre-trial detention is to secure the accused's presence at trial and to prevent obstruction of justice. It cannot be permitted to degenerate into an advance form of punitive punishment prior to conviction. The applicant appeared for the investigation whenever summoned by the ACB (on 07.08.2026 and 18.08.2026) and has a clean record of appearance in other pending court proceedings. He is an ex-MLA, former Cabinet Minister, and a permanent resident of Delhi with deep roots. The prosecution has presented no plausible reasons for arguing that the applicant is a flight risk. His presence can be adequately secured through appropriate, stringent bail conditions.

8.4. The ACB's decision not to seek police custody upon the applicant's arrest or thereafter till now, and the request of only judicial custody, demonstrates that there is no active requirement for custodial interrogation. Continued detention in judicial custody cannot be justified on the generic plea that a conspiracy is yet to be unearthed.

8.5. The law is well settled that, while considering bail, the framework has to be the satisfaction of the three-point test, i.e., whether the accused is a flight risk or would be available for trial, the risk of tampering with evidence, and the risk of influencing witnesses. In this case, so far as this applicant is concerned, all those three points stand in favour of the applicant and not against him.

8.6. However, those three tests are not the only requirements to be met in a case of the present nature. The Hon'ble Supreme Court has indeed clarified that even if an accused satisfies the triple test, the gravity of the offence remains an independent critical factor that must be weighed. While regular bail jurisprudence operates under the presumption of innocence and the foundational principle that 'bail is the rule, jail is the exception', the Hon'ble Supreme Court has carved out the 'class apart' category for serious financial crimes/economic offences.

8.7. In the case of *P. Chidambaram v. DoE (2020) 13 SCC 791***,** a three-judge bench of the <u>Hon'ble Supreme Court also cautioned that while the gravity of an offence is highly relevant, it is not an automatic bar to the grant of bail, and that Courts must avoid prejudging the guilt of the accused at the bail stage.</u> The decisions thus have to be made on a case-to-case basis, balancing personal liberty and societal interests. It is held as follows in the said case of *P. Chidambaram**:***

> ***"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 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."***

8.8. When the said criteria are applied to this case alleging economic offence, the following factors weigh in the applicant's favour.

8.9. In response to the prosecution's contention that the applicant arbitrarily enhanced the upgradation capacity of Rohini STP from 25 MGD to 30 MGD, Ld. Senior Counsel for the applicant points out that the initial note dated 07.10.2021 from the Chief Engineer itself, at page 1/N, mentions enhancing the capacity to 30 MGD. Even towards the end of the note, the Chief Engineer himself mentions the peak flow after upgradation to 30 MGD. He submits that, in such circumstances, while giving in-principle approval, when the accused noted "*Make it for 30 MGD*", no mala fide can be attributed on a prima facie basis.

He argues that no one's case is that upgradation to 30 MGD was not technically feasible, or that payment was released to the contractor without that work. He argues that if a higher output upgradation was possible and was acceded to by the Minister, with the aim of achieving better effluents, the decision must be seen as bona fide.

8.10. In any case, the allegations in the present FIR may not sustain to this particular allegation of unilateral upgradation to 30 MGD by the applicant as, admittedly, this contract was rescinded after 14.10.2021. It was rescinded when the 10 STPs were subsequently grouped and subsequent contracts were initiated.

8.11. Similarly, rebutting the next argument of the prosecution regarding the ad-hoc inclusion of the Rohini and Narela STPs while excluding the Okhla STP, it is argued that, by itself, this is grossly lacking in any substantial imputation, as no one's case is that the work of the Rohini and Narela STPs was not carried out or that any payment was released without the work. It is argued that simply because a Minister thought it appropriate to include two STPs in the package with prospective larger effluent discharge, ensuring better waste management, while excluding one smaller STP which obviously gave lesser effluent discharge, no indictment can sustain, particularly when it is not the case of the Investigating Agency that the said inclusion was not possible or feasible, or that the work was not performed. Without expressing any opinion on the merits of this allegation and rebuttal, the argument appears forceful. Merely because it increased the total cost would be an insufficient and hollow allegation, as the aim may have been to increase treated wastewater discharge to reduce pollution.

8.12. He further lays stress on the point that when the note sheets were put forth by technical persons of the rank of Chief Engineer, which were approved not only by the Member (Drainage) but also by the CEO before the decision of the Minister, there is no reason to suspect the Minister's approval decision, particularly when no money trail of the alleged kickbacks could be traced to the applicant. There are technical and financial committees, admittedly working in DJB, whose job is to assess the projects and tenders technically and financially. He claims that in the absence of any technical report on the non-feasibility of the packages or their upgradation, it would be premature to presume the applicant's guilt or involvement. Without expressing any opinion on the merits of this allegation and rebuttal, the argument also appears forceful.

8.13. Attention of this Court is also drawn to the note sheets (5/N-12/N dated 09.12.2021 to 30.12.2021), where the Member (Drainage) raised questions about the inconsistency as to the amount mentioned in the note prepared by the Chief Engineer. Only after the Member (Drainage) was satisfied (after multiple discussions with the Chief Engineer) did he forward the note to the CEO, who then forwarded it to the Minister for approval, after endorsing that the note is submitted for in-principle approval and that all the conditions and parameters, as finalised, will be incorporated in the NIT. The approval dated 30.12.2021 of the applicant is preceded by a detailed note of the CEO (A-2 Udit Prakash), which specifically notes that the terms of reference should not be changed and that the aerator with at least 4kg/Kwh Oxygen Transfer should not be altered so that the quality of sewage treatment is not compromised; the performance of earlier contractor at two other sites (Kondli and Rithala) was unsatisfactory and delayed. It is argued by the applicant that, in such circumstances, the note put up by the CEO itself indicates that the decisions were taken in the best interest and were not actuated by any malice. Without expressing any opinion on the merits of this allegation and rebuttal, the argument appears prima facie forceful even here.

8.14. The ACB's allegation that the contract was awarded at Rs.5.155 crores per MGD, based on a study of the upgradation of Rohini STP, instead of Rs.4.927 crores/MGD, is contradicted by the note prepared by the Chief Engineer, S. C. Vashisht, dated 09.12.2021 (page 4/N), i.e., after approval of the inclusion of Rohini and Narela STP in the package in place of Okhla STP. It states that in the first phase, the estimate for upgradation as well as capacity augmentation of the STPs at Yamuna Vihar, Rohini, Narela, Keshopur Phase 3 & Phase 1, Nilothi and Pappankalan is based on the cost per MGD for capex of Rs.4.927 Crore, derived from the estimated cost of upgradation and capacity augmentation of Rohini STP from 15 to 30 MGD. It also states that, in the second phase, the remaining 5 STPs would be upgraded and that their cost per MGD, derived from the estimated cost of upgrading the Rohini STP, was yet to be finalised. On page 5/N of this note, the capex per MGD is again mentioned as 4.927 crore, and for the second set of STPs, it is mentioned as 6 crore/MGD. After this note of the Chief Engineer, the Member (Drainage) raised a query regarding the contradiction in the cost amount regarding Rs.6 crore/MGD, and vide his endorsement dated 10.12.2021, he invited the Chief Engineer for discussion. After discussion, the Chief Engineer wrote another note on 13.12.2021 (page 6/N), and once again the Member (Drainage), vide his note of even date, questioned the cost component and invited the Chief Engineer for discussion. After discussion, the Chief Engineer prepared another note dated 15.12.2021, in which it is stated that the cost of Rs.4.927 crores/MGD is based on the estimate submitted by none other than M/S NJS. Once again, the Member (Drainage) invited the Chief Engineer for further discussion, and thereafter the Chief Engineer put up a total tender estimate of Rs. 1544.4 crores. This time, not only the Member (Drainage) but also the CEO signed the note and forwarded it to the applicant for approval. Thereby indicating that the

Member (Drainage) forwarded the note after satisfying himself. The applicant then invited discussion, vide his endorsement dated 30.12.2021. Thereafter, the CEO put up a note of even date, i.e., 30.12.2021, signed it, put it for approval, and then the applicant approved the proposal.

8.15. As regards the removal or relaxation of Total Nitrogen < 10 mg/ltr., etc., the note of the CEO, allegedly approved by the applicant on 30.12.2021, again indicates that an aerator with at least 4 kg/kwh oxygen transfer was needed so that the quality of the effluent after treatment doesn’t get compromised.

8.16. Additionally, the minutes of the meeting dated 01.12.2021, as signed by OSD to A-1 on 03.12.2021, reflect that, instead of constructing new STPs, the existing STPs were decided to be upgraded and rehabilitated through certain interventions to expedite efforts to reduce wastewater pollution. It is mentioned therein that A-1 agreed to the proposal from the Chief Engineer and Member (Drainage) to withdraw existing individual tenders and float afresh tenders in packages comprising 2 to 3 STPs each for upgradation and rehabilitation. It is also mentioned that the IFAS system be used to upgrade the 30 MGD STP at Coronation Pillar.

8.17. Admittedly, there is a Technical Committee (Drainage) in DJB comprising 7 technically qualified persons, including the Member (Drainage) as Chairperson. Admittedly, the roles and responsibilities of the Technical Committee and the Sub Technical Committee are clearly defined for assessing tenders and awards, administrative approvals, technical angle examinations, submission of recommendations, etc.

8.18. None of the corrigendums that changed the specification of the work was approved by the applicant. All were approved and signed by the CEO, Udit Prakash Rai (A-2).

8.19. It is also pointed out by the counsel for the accused that no WhatsApp message or any trail of alleged kickbacks could prima facie reach or point to the involvement of the applicant, and therefore alleging the applicant's guilt at this stage of the matter would be premature, and denying him bail would be nothing but pre-trial punishment. As regards the alleged hawala transactions, it is also claimed that the Investigating Agency has nothing to point to the applicant's involvement. As regards antecedents, it is claimed that all the cases are politically motivated and pertain to a particular period; therefore, it by itself cannot go against the applicant.

8.20. Prima facie, none of the WhatsApp chats links the applicant; there are no other phone call records or SMS messages that might presently connect him to the kickbacks and hawala transactions with other co-accused persons in the conspiracy.

8.21. It is an admitted case of the Investigating Agency that the contracts were awarded in July 2022, after the present applicant was arrested and was in custody in another case. He was arrested on 30.05.2022.

8.22. The work awarded under the contracts is indeed being performed and is still being carried out under the same contracts, as the contracts were primarily intended for 12 years, in the form of Opex and Capex. Admittedly, the NIT prescribed that the project is based on the Hybrid Annuity Module (HAM), under which payments are deferred, and only 30% is paid to the contractor by DJB, while the remaining 70% has to be infused by the contractor himself, which is refundable during the operation and maintenance period (Opex period) of 10 years.

8.23. Therefore, it is not a case where the work was awarded, and payment was made without performance or execution of the work. Till date, no objection has been received from any quarter regarding the quality of the work performed or the standards achieved in the discharge after treatment as per the objectives enumerated in the tender. Delhi

Pollution Control Committee (DPCC) is admittedly monitoring the five standards specified in the contract on a regular basis, and no complaints have been received from their side either. On being asked, the IO stated that the DPCC standards for effluent discharge were not mandatory and were only directory in nature. As per the DPCC's reply dated 05.01.2026, it clarified that it does not provide any technology. It monitors all 37 operational STPs of DJB monthly, and the analysis reports are available on the website and communicated to DJB each month. This was their answer to the IO's query regarding the availability of detailed, cost-effective technologies available for augmentation and upgradation of STPs that are not newly constructed, and the differences between IFAS technology and fixed-media technology versus floating media. The parameters suggested by DPCC, including total Nitrogen < 10 mg/l, seem discretionary and not mandatory.

8.24. A-1 approved the total estimate of Rs. 1546.32 Crores for the 10 STPs on 14.01.2022, based on a note prepared by the Chief Engineer and signed by the Member (Drainage) and the CEO before A-1's signature. It is already mentioned above that the Member (Drainage) and CEO forwarded this note after multiple discussions between the Chief Engineer and the Member (Drainage) regarding the amount. It is nobody’s case that, despite being made aware in the note that only the Board can sanction it, the applicant did so. The note does not say it should be sent to the Board for approval. Admittedly, the applicant was the chairperson of the Board.

8.25. The note dated 31.12.2021, signed by AEE (E & M), states that, as per directions of higher authorities (without naming anyone), the capacity augmentation is to be carried out with only 4 interventions, i.e., IFAS, Aeration, Disc Filter, and UV Disinfection.

8.26. The note dated 01.02.2022, prepared by the Chief Engineer, mentions that the upgradation of STPs at Okhla Phase-V, Mehrauli, Ghitorni and Vasant Kunj was also discussed, and that upgradation of those STPs using IFAS technology and other interventions was feasible. As per the note prepared by AEE (E&M) dated 09.02.2022, the terms & conditions for the NIT for upgradation of the STPs in question were settled. In this NIT, only fixed media related to IFAS technology is mentioned; an MOU with an IFAS technology provider with a proven track record and a minimum capacity of 10 MGD is also mentioned. In this note sheet dated 09.02.2022, the Member (Drainage) signed it, noting that the issue regarding upgradation of these 4 STPs was as per the discussion with the Minister on 23.12.2022. Thereafter, this note was signed by the CEO but not by the applicant.

8.27. Even after the contract was awarded, no technical or feasibility study has been conducted by DJB to assess whether the newly introduced IFAS technology or the finalised parameters failed to achieve the objectives set forth in the tender. Undoubtedly, the pilot project agreed to be conducted in December 2021 before introducing IFAS technology was not conducted, but that alone is insufficient to deny bail. After all, in the meeting, the Minister directed the conduct of a pilot project study and its sharing with his office. The minutes of the meeting dated 31.08.2021, prepared and signed by the consultant Ankit Srivastava (A-6) on 07.09.2021, state that a presentation by Euroteck was discussed, during which the company presented an advanced technology as a substitute for the ultrafiltration membrane. Thereafter, senior officers opined that a pilot project should be conducted at the Coronation STP site to assess the proposed technology's efficiency. The Minister instructed that the needful be done and that the results be shared with the Minister’s office. In this meeting, it was also decided that both media types, suspended and fixed, should be allowed in the bid. Ignoring it at the time of final approval may or may not have been intentional.

8.28. After the terms of reference were settled, the NIT was signed only by the A-2 CEO. Similarly, all the corrigendums in issue were approved only by the A-2 CEO. There is no direct proof that the applicant approved, signed, or directed the issuance of the same, or had knowledge of it. Admittedly, there are no existing rules that mandate the publication of corrigendums in newspapers. The technical and financial bids were opened online after they were approved by A-2 Udit Prakash Rai.

8.29. As regards the exclusion of sludge, it was not mentioned in the NIT by the Chief Engineer and others, allegedly on the ground that the same was excluded in the terms of reference (TOR). But the TOR, as prepared and put up by the Chief Engineer, who was the concerned technical person, as evident from the note dated 01.12.2021, nowhere indicates that the Chief Engineer suggested including sludge, or that, despite this, the applicant excluded it. It is though mentioned in the said note that on 01.12.2021 it was discussed when the progress of various projects were reviewed by the applicant in presence of other senior officers including CEO, Member (Drainage), the Chief Engineer. However, the minutes dated 01.12.2021 are silent as to the sludge part of it. In the note dated 01.12.2021 the Chief Engineer proposed that the component of treatment of sludge be taken up separately, as mentioned in para 3 & 4 of the note. Admittedly, IFAS technology has been used to date in the execution of the contracts at issue.

8.30. When questioned regarding the examination of Vinod Chauhan, the IO stated that two notices were sent to him (only recently, in the last 27 months), but he is presently out of the country and could not be examined. Similarly, in the last 27 months, the Chief Engineer S K

Vashishth has not been examined. Both were critical persons to be examined regarding their roles and the applicant's role. Unfortunately, they have not been examined for 27 months. Even Ajay Kumar Gupta the OSD, who prepared Minutes dated 01.12.2021 on 03.12.2021, has not been examined. It is a long period by any means. In the statements of the witnesses recorded by now, including K.V.N.S. Rao and Saurabh Singh, there is no direct involvement of the applicant evident. Admittedly, the applicant was not present at the two meetings held in July 2021 at two different hotels, nor does the Investigating Agency allege that the applicant organised those meetings. The Minutes of the presentation dated 31.08.2021 do not bear the applicant's signature and are signed only by Ankit Srivastava. The statement of Ankit Srivastava against the applicant is nothing but that of a co-accused. There are no Minutes of the alleged Meetings dated 21.12.2021 & 23.12.2021, let alone any signature by the applicant.

8.31. A few decisions taken by the applicant in this matter, as evident from the contents of the notes, etc., do raise eyebrows, and he may not be innocent, but by themselves they are not enough at this stage to deny bail. The investigating agency ought to have first conducted a thorough investigation and gathered more evidence before rushing to arrest him. Though the principle that if two views are possible, the one favouring the accused should be adopted, which flows from the presumption of innocence and the requirement of proof beyond reasonable doubt, is primarily applied during trial and final adjudication, if the prosecution's case appears weak even at the preliminary stage, the court may lean towards granting bail. After all, the prosecution would be required to prove the allegations, and if it succeeds at trial, a conviction would follow. But at this stage, it may not be a ground to deny bail.

9. A discussion above would indicate that the allegations are primarily against the other co-accused persons, and it is alleged that the applicant, who was the Minister at the time, was in conspiracy and aided the illegal transactions. In this context, even if the statements on record and the materials gathered are taken into account, the applicant's complicity will have to be established at trial, and, if convicted, the applicant will be sentenced. The material till now is prima facie insufficient to deny the applicant bail. The applicant's availability for further investigation, interrogation, and trial is not in question; he is already held not to be a flight risk; and there is no possibility of tampering with the evidence or of influencing/intimidating the witnesses. He is no longer a Minister or MLA. Taking these and all other facts and circumstances, including the duration of custody, into consideration, the applicant is entitled to be granted bail.

10. In light of the above discussion, and without expressing any opinion on the final merits of the case as to any of the allegations, the regular bail application of Sh. Satyender Kumar Jain **is allowed**. **It is ordered that the applicant Satyender Kumar Jain be released on bail in the present case, FIR No. 10/2024, PS ACB, upon furnishing a personal bond of Rs. 2,00,000/- with two sureties of the like amount, subject to the following conditions:**

10.1. The applicant shall surrender his passport and shall not leave the country without the prior permission of this Court.

10.2. The applicant shall not contact, influence, or coerce any witness associated with the investigation of the present case or the prosecution.

10.3. The applicant shall continue to join the investigation as and when required by the Investigating Officer.

10.4. Pending the investigation, if the applicant travels outside Delhi for more than two days, he shall inform the IO and obtain the IO's prior permission through email/messaging.

10.5. The applicant shall not try to delay the trial and proceedings as and when the chargesheet is filed.

11. At the cost of repetition, it is made clear that the observations touching upon the merits in this order shall not be construed as an opinion expressed on merits. Application stands disposed of accordingly. A digitally signed copy of this order be given to both sides immediately, and a copy be sent to the concerned Jail Superintendent for his own intimation and for a copy to be provided to the applicant in custody.

Announced in Open Court
on 03rd September 2026

DIG VINAY SINGH CHAUHAN

Digitally signed by DIG VINAY SINGH CHAUHAN
Date: 2026.09.03 14:12:22 +0530

(Dig Vinay Singh)
Special Judge (PC Act) (CBI)-09
(MPs/MLAs Cases)/RACC
New Delhi / 03.09.2026