2026 INSC 1267

NON-REPORTABLE

IN THE SUPREME COURT OF INDIA
CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPEAL NO. OF 2026
[ARISING OUT OF SLP (CRL.) NO. 19042 OF 2026]

SUBODH AGARWAL **... APPELLANT**

VS.

STATE OF RAJASTHAN **... RESPONDENT**

WITH

CRIMINAL APPEAL NO. OF 2026
[ARISING OUT OF SLP (CRL.) NO. 19335 OF 2026]

DINESH GOEL **... APPELLANT**

VS.

STATE OF RAJASTHAN **... RESPONDENT**

AND

CRIMINAL APPEAL NO. OF 2026
[ARISING OUT OF SLP (CRL.) NO. 19254 OF 2026]

MAHENDRA PRAKASH SONI (MP SONI) **... APPELLANT**

VS.

STATE OF RAJASTHAN **... RESPONDENT**

O R D E R

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Digitally signed by MANIK KUMAR
Date: 2026.11.25 16:54:58 IST
Reason:

1. Leave granted.

2. Allegations of large-scale financial impropriety and institutional collusion have emerged against the backdrop of execution of the "Jal Jeevan Mission" in the State of Rajasthan. Appellants herein, much like co-accused persons earlier, have approached this Court challenging the dismissal of their respective applications seeking regular bail by the High Court of Judicature for Rajasthan, Bench at Jaipur[1]. Applications of Subodh Agarwal[2] and Mahendra Prakash Soni[3] were dismissed *vide* orders dated 13th August, 2026, while the application of Dinesh Goel[4] was dismissed later, *vide* order dated 23rd September, 2026.

3. Since all three appeals emanate from a common FIR and involve an overlapping factual matrix, they are being disposed of by this common order.

4. Preliminary Enquiry No. 06/2024 dated 18th January, 2024, ultimately culminated in the registration of FIR No. 245/2024 dated 30th October, 2024[5], at the Police Station, Anti-Corruption Bureau, Jaipur, Rajasthan. The offences alleged invoke various provisions of the Prevention of Corruption Act, 1988 (as amended in 2018), and the Indian Penal Code, 1860, encompassing criminal conspiracy, forgery, and criminal breach of trust by public servants.

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[1] High Court
[2] S.B. Criminal Miscellaneous Bail Application No. 10656 of 2026
[3] S.B. Criminal Miscellaneous Bail Application No. 6128 of 2026
[4] S.B. Criminal Miscellaneous II Bail Application No. 11426 of 2026
[5] subject FIR

5. The prosecution's factual narrative seeks to expose a systemic subversion of the tender process within the Public Health Engineering Department, Rajasthan[6]. It is alleged that between 2021 and 2023, two private contracting firms—M/s Shri Ganpati Tubewell Company and M/s Shri Shyam Tubewell Company—procured forged work-experience certificates purportedly issued by IRCON International Limited. Utilising these fabricated credentials, and allegedly in connivance with senior public servants, these firms secured work orders for approximately 104 tenders aggregating to Rs. 979.45 crore. Appellants—Subodh Agarwal [then Additional Chief Secretary and Chairman of the Finance Committee, PHED], Dinesh Goel [then Chief Engineer (Special Projects), PHED], and Mahendra Prakash Soni [then Superintending Engineer, PHED/Additional Chief Engineer (Project), Ajmer]—are accused of abusing their official positions on various evaluation and finance committees to facilitate the award of these tenders, turning a blind eye to complaints highlighting the irregularities.

6. Mr. Mukul Rohatgi and Mr. Siddharth Dave, learned senior counsel, and Mr. Pankaj Singhal, learned counsel appearing for the respective appellants, urge that the investigative process has exhausted its course *qua* the appellants, culminating in filing of chargesheets arraigning them as accused. They contend that the prosecution's edifice rests predominantly on documentary evidence already in the

[6] PHED

secure custody of the investigating agency, thereby eliminating any risk of tampering. Emphasising the principle of parity, it is pointed out that several co-accused persons intricately woven into this overarching conspiracy, including the principal political executive, have already been enlarged on bail by this Court.

7. *Per contra*, Mr. S.D. Sanjay, learned senior counsel and Mr. Rajan Kumar Chourasia, learned counsel for the respondent-State, vehemently resist the grant of bail, underscoring the magnitude of the economic offence, the breach of public trust by high-ranking officials, and the colossal loss caused to the State exchequer.

8. We have bestowed our anxious and careful consideration to the rival submissions and scrutinised the materials placed on record.

9. In our earlier deliberations, while granting bail to the co-accused persons, we have underscored that pre-trial incarceration cannot masquerade as punitive detention[7]. While the State's concern regarding institutional collusion in a public welfare project of this scale is undoubtedly grave, the severity of the allegations cannot serve as an absolute embargo on bail, nor can it justify keeping an undertrial incarcerated without the prospect of an early conclusion of the trial.

10. As noted, the investigative process *qua* the appellants stands concluded. The impending trial, encumbered by a voluminous documentary record running into thousands of pages and the proposed

[7] 2026 SCC OnLine SC 2022, para 12

examination of 124 witnesses, presents itself as a protracted affair. With charges yet to be framed, the end is nowhere in sight.

11. Crucially, we note that several co-accused persons, including the principal political executive, the then PHED Minister (Mahesh Chandra Joshi), the Secretary of the Rajasthan Water Supply and Sewerage Management Board (Shubhanshu Dixit), and another Additional Chief Engineer (Arun Srivastava)—have already been permitted to step out of custody by this Court and the High Court.

12. In the conspectus of these circumstances, keeping the appellants in further pre-trial custody would serve no fruitful purpose.

13. Resultantly, the appeals succeed. The impugned orders dated 13th August, 2026, and 23rd September, 2026, passed by the High Court, to the extent that they relate to the appellants, are hereby set aside.

14. Appellants—Subodh Agarwal, Dinesh Goel, and Mahendra Prakash Soni—shall be released on bail in connection with the subject FIR, unless required in any other case, subject to furnishing bail bonds to the satisfaction of the Trial Court and upon such other terms and conditions as the Trial Court may deem fit and proper to impose.

15. We make it clear that the appellants shall diligently participate in the trial and appear before the Trial Court on the dates fixed, unless specifically exempted. Any default in appearance without justifiable cause, or any infraction of the bail conditions, shall entitle the Trial Court to cancel the bail of the defaulting appellant(s) and pass appropriate orders in accordance with the law.

16. It is further clarified that we have not expressed any opinion on the merits of the allegations, the specific roles attributed to the appellants, or the evidentiary value of the records. The observations made hereinabove are confined exclusively to the adjudication of the present appeals for bail and shall have no bearing on the merits of the case during the trial.

17. The Trial Court is, however, encouraged to frame charge at an early date and thereafter to expedite the trial. Any dilatory tactics by any of the accused persons to protract the trial may be dealt with a firm hand, including the exercise of the power to cancel bail without reference to this Court.

18. Pending application(s), if any, shall stand disposed of.

.....J.
(DIPANKAR DATTA)

.....J.
(SHEEL NAGU)

NEW DELHI;
NOVEMBER 25, 2026.