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**THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CRM-M-12663-2025 (O&M)

Reserved on: 20.02.2026

Pronounced on: 10.03.2026

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Mohit Sawhney**..... Petitioner****Versus****Directorate of Revenue Intelligence and another****..... Respondents****CORAM : HON'BLE MR. JUSTICE RAJESH BHARDWAJ**

Present: Mr. R.S. Cheema, Senior Advocate with
Ms. Tanu Bedi, Advocate
Mr. Satish Sharma, Advocate and
Ms. Vibhuti Manchanda, Advocate
for the petitioner.

Mr. Sourabh Goel, Special Public Prosecutor, DRI with
Ms. Himanshi Gautam, Advocate
for respondent No.1.

Ms. Diya Sodhi, Senior DAG, Haryana.

RAJESH BHARDWAJ, J.

1. Petitioner has approached this Court by way of present petition praying for granting him regular bail in case File No.DRI/DZU/34/ENQ-14/2022, under Sections 9, 25, 25(A), 27(A), 28 and 29 of the Narcotic Drugs and Psychotropic Substances Act, 1985 in which complaint NDPS 19/2023 dated 25.01.2023 titled as *State of Haryana Vs. Mohd. Azam and others* has been filed for offences punishable under Sections 8(C), 22(C), 25, 27(A), 28 and 29 of NDPS Act, 1985.



2. Succinctly, the facts of the case are that the Directorate of Revenue Intelligence (hereinafter referred to as the “DRI”) received a secret intelligence vide letter dated 26.07.2022 regarding clandestine manufacturing of Ephedrine/Pseudoephedrine or Mephedrone in the factory premises of Shree Murlidhar Industries, Village Bapoli, Tehsil Radaur, District Yamuna Nagar, Haryana, by taking on lease two Glass Lined Reactors installed in the said factory. It was informed that the manufacturing was started in the afternoon of 22.07.2022 and expected the process to be completed in 6 days in two batches. As per the intelligence, Mohd. Azam had supplied bulk of raw material for manufacturing of the aforesaid drug from Mumbai. The petitioner was to take share of the output and the total raw material supply had been made by him by using fake invoices. The co-accused Wafadaar Gajnafar Hussain was informed to be a chemical trader from Mumbai, who was the mediator between Mohd. Azam, Santosh Singh @ Raju and partners of the firm Shree Murlidhar Industries. On receiving the intelligence, the informed premises were searched by Officers of the DRI on 29.07.2022 and the same continued till 31.07.2022. On conducting search of the factory premises of Shree Murlidhar Industries, 10 drums, containing both dry and wet brown colour material with heavy crystalline settings in bottom were recovered. The DRI Officers collected samples of both the dry and wet brown colour material from each drum and on testing the material, it indicated the presence of Ephedrine (which was later on tested positive for Mephedrone), a controlled substance covered under the Act. In total, 661.75 Kgs. of Mephedrone in wet form was recovered.



The drums recovered were marked as AA1 to AA10 and A1 to A10 by the DRI Officers. The manufacturing equipments appeared to be liable for confiscation but as it was not practical to move the same from the factory premises, hence, the factory was sealed. The search of Room Nos.201 to 203 of Daawat Hotel, Radaur, Yamunanagar Road, Barshami, Ladwa, was conducted on 29.07.2022 and during search, Mohd. Azam and Wafadar Gajnafer Hussain were found in those rooms. Both of them accompanied the DRI Officers to the factory premises of Shree Murlidhar Industries. The residential premises of the partners of Shree Murlidhar Industries were also searched. The statements of the accused were recorded under Section 67 of the Act. The recovered contraband was found to be manufactured in violation of the provisions of the Act and, thus, the petitioner and the co-accused were arrested. On registration of the complaint, the investigation commenced. The petitioner was stated to be arrested on 09.06.2023 and the investigating agencies collected various evidences and on completion of the investigation, the challan was presented. The learned trial Court, on framing of the charges, commenced with the trial. The petitioner approached the learned Additional Sessions Judge, Yamuna Nagar praying for grant of bail. However, after hearing both the sides, the learned Additional Sessions Judge, Yamuna Nagar at Jagadhri declined the same vide order dated 25.01.2024. Hence, aggrieved by the said order, the petitioner is before this Court by of filing the present petition.

3. Learned Senior counsel for the petitioner has vehemently contended that the petitioner has been falsely and frivolously roped in the



present case. It is submitted that admittedly, the petitioner is one of the partners of Shree Murlidhar Industries (hereinafter referred to as the “SMI”). The petitioner has been accused of leasing out the premises of SMI to the co-accused for manufacturing Mephedrone. It is submitted that admittedly, the petitioner along with his partners had started the business of manufacturing PCMX in SMI but the industry failed and due to which, the raw material for manufacturing PCMX was lying in the premises of SMI. The allegations made by DRI are to the effect that the raw material recovered from the premises of SMI was for manufacturing Mephedrone. It is submitted that the petitioner had no knowledge whatsoever regarding the manufacturing of Mephedrone by the co-accused and he cannot be vicariously liable for the alleged offence as made by DRI. It is submitted that the premises of SMI were raided by the DRI from 29.07.2022 to 31.07.2022. The material recovered was tested by the Expert Team of DRI and the recovered material of 661.75 kgs was found to be Ephedrine. However, to the utter shock, after a period of 1½ month, the recovered contraband was declared to be Mephedrone on the basis of another test allegedly carried out by DRI in the laboratory. It is submitted that the contraband recovered from the spot in a clandestine manner has been declared to be Mephedrone without any authenticated evidence on record. The Ephedrine recovered is a controlled substance as stipulated under Section 9-A of the NDPS Act and there is no minimum sentence provided for the same. Thus, the rigours of Section 37 of the NDPS Act are not attracted in case of the recovery of Ephedrine. It is further submitted that Section 37 of the NDPS Act is attracted in case of



the offences falling under Section 19, 24, 27-A and the offences involving commercial quantity. It is thus, submitted that once the recovered contraband at the initial stage was found to be Ephedrine, there was no occasion for DRI to declare the same as Mephedrone and thus, the same has been declared to be Mephedrone in a clandestine manner. It is further argued that as per the recovery memo, nine raw materials were recovered, out of which, one was Propio-phenone. It is submitted that this is an essential ingredient for manufacturing Ephedrine which clearly shows that the recovered contraband from the premises of SMI was Ephedrine and not Mephedrone. It is further submitted that after declaring the recovered contraband as Ephedrine, the same was subsequently, declared to be Mephedrone on 16.09.2022 and thereafter, the entire chemical recovered was destroyed. Thus, the petitioner had no occasion even to get it tested again. It is submitted that the DRI, in order to manipulate the recovery effected of Ephedrine, has recorded the statement of co-accused Santosh @ Raju and on the basis of his statement, that Ephedrine could be controverted into Mephedrone has taken a somersault in enhancing the offence against the petitioner and the co-accused. It is contended that there are four partners of the firms namely, Shyam Lal Goyal, Rajan Sondhi, Vijay Kumar and petitioner-Mohit Sawhney. As per the admitted case of DRI, co-accused namely, Mohd. Azam, Wafadar Gajnafer Hussain, and Santosh Singh @ Raju allegedly used the premises for manufacturing/preparing of the contraband. The petitioner simply being one of the partner of SMI cannot be held responsible for the offence as alleged. It is contended that once



it is yet to be established whether the contraband recovered was Ephedrine or Mephedrone and hence, the rigours of Section 37 of the NDPS Act should be kept in abeyance. Merely on the allegations that the petitioner had allegedly leased out his factory to the co-accused for manufacturing of the contraband Mephedrone, is in itself not sufficient for keeping the petitioner behind the bars for unlimited period. It has been contended that the DRI had made the allegations against the petitioner for arranging the chemical Bromine as raw material, is totally an afterthought and further falsified by the independent witnesses namely, Ravinder Kumar and Jasmeet who sold Bromine to co-accused. It is contended that the statement of the co-accused recorded under Section 67 of the NDPS Act are not admissible. Learned Senior counsel has contended that one out of the partners of SMI, namely, Shamlal, was granted bail on health ground, however, he has died. He was acting as a link with the lessees, and the petitioner had no knowledge whatsoever regarding the premises of SMI having been leased out to the co-accused. Learned Senior counsel has invited the attention of this Court to the Panchnama prepared from 29.07.2022 to 31.07.2022 wherein the recovered contraband was found to be Ephedrine and not Mephedrone. It is hereinafter the DRI has manipulated the record by converting Ephedrine to Mephedrone. He has invited the attention of this Court to the laboratory report (Annexure P-11) which would indicate that the sample was received in the lab on 22.08.2022 whereas, the report was given by the lab on 16.09.2022. This delay in itself is fatal for the prosecution. It is vehemently contended that the petitioner is behind the



bars from the last about 03 years and till date the prosecution, out of 87 witnesses, could examine only 06 witnesses. Thus, it is evident that the trial would take sufficiently long time in its conclusion. Learned Senior counsel has relied upon the judgments rendered by the Hon'ble Supreme Court in *Narcotics Control Bureau Vs. Mohit Aggarwal, (2022) 18 SCC 374; Chintan Rajubhai Panseriya Vs. The State of Maharashtra, Law Finder Doc Id# 2846932* and *Ragib Rais Shaikh @ Sameer Vs. State of Maharashtra, (Bombay) Law Finder Doc Id # 2081589 2022(1) DC (Narcotics) 467 BHC D/d. 23.09.2021* wherein it has been specifically observed that the contraband involved in the above-mentioned cases, was Mephedrone. It is further submitted that the petitioner is also behind the bars from last more than 2½ years and thus, in the overall facts and circumstances of the case, he deserves to be granted bail.

4. Learned State counsel and learned counsel for respondent-DRI, however, have vehemently opposed the submissions made by learned counsel for the petitioner. It is contended that the petitioner in a well hatched conspiracy along with the co-accused had leased out the premises of SMI to the co-accused. It is submitted that SMI became a dead industry and thus, the petitioner and the other partners in a clandestine manner, leased out the premises to the co-accused for manufacturing of Ephedrine which was later on, found to be Mephedrone. They have invited the attention of this Court to the record of the case. It is submitted that intentionally there was no formal written agreement between the petitioner and other partners with the co-accused for leasing out the premises. It is submitted that initially the SMI was



supposed to do the ply wood work but later, shifted to produce Pharma Chemicals under the guidance of one Manish Sahni but unfortunately Manish Sahni died on 14.04.2021 at the age of 47 years due to COVID. On account of the same, the business suffered heavy loss and the petitioner could not come out of the same. They have invited the attention of this Court to the quotations for Borosilicate Glass Shell & Tube Heat Exchanger as recovered from the premises. The same were the chemical reactors which are required for manufacturing of Mephedrone. It is contended that on the basis of intelligence received, the premises of SMI was raided and the contraband weighing 661.75 kgs was recovered. During investigation, it has been found that 7 MTs of various types of raw materials had been procured using fake invoices to manufacture about 500-600 kgs of Ephedrine/Pseudoephedrine or Mephedrone. It has been found during investigation that there are 4 partners of SMI, namely, Shyam Lal Goyal, Rajan Sondhi, Vijay Kumar Sharma and Mohit Sawhney and out of these 4 partners, Shyam Lal Goyal and Vijay Kumar Sharma were actively involved with co-accused Wafadar Gajnafer Hussain to arrange logistics for manufacturing. The Supervisor Jaswinder Singh @ Sardar ji was allotted to assist Mohd. Azam and Wafadaar Gajnafer Hussain regarding resources at factory along with their pick up and drop. Mohit Sawhney i.e. the petitioner had given guidance regarding transport of raw materials to the factory. It is contended that the proceeding under Section 52-A of the NDPS Act were conducted by the Judicial Magistrate Ist Class, Jagadhri and 10 representative samples in duplicate were withdrawn for testing. As per the report, Central Revenue



Control Laboratory (CRCL) New Delhi, the sample tested positive for Mephedrone which is covered under the NDPS Act. It has been contended that it has been found during investigation that the petitioner came in contact with Wafadaar Hussain and Mohd. Azam through his parnter, Shyam Lal Goyal. It is submitted that it was the petitioner, who along with the other factory partners, had negotiated for the amount with Mohd. Azam, Wafadaar Gajnafer Hussain and Santosh Singh @ Raju for allowing them to manufacture Ephedrine/Mephedrone and it was settled that Wafadaar Gajnafer Hussain and Mohd. Azam would pay Rs.10,00,000/- per batch (100 kg each batch) to them. From the whatsapp messages recovered from the mobile of the petitioner, it has been found that he had arranged the quotations from Bromos Organic, Mohali for Bromine which was one of the raw materials for manufacturing Mephedrone. The Bromine was purchased on the invoices of SMI for which cash payment was made by Mohd. Azam to Brahmos. This purchase of Bromine was not shown in the books of accounts of SMI. In the month of 2022, petitioner-Mohit Sawhney transferred Rs.50,000/- in the account of Shristi Logistics through money exchange agent on instructions of Mohd. Azam. The screenshot of payment of Rs.50,000/- was sent by the petitioner to Mohd. Azam on his whatsapp. It was also found during investigation that no payment was made to the petitioner through banking channel rather the same was made through Hawala as Rs.10 note as a token was shared between Vijay Kumar and Wafadaar Hussain on whatsapp to collect the payment through Hawala. It is vehemently contended that from the overwhelming evidence collected, it



has been found that the petitioner is well covered under the illicit traffic and harbouring offenders as provided under Section 27-A of the NDPS Act. It is contended that co-accused, namely, Mohd. Azam could not arrange Bromine for manufacturing of Ephedrine without bill from Mumbai and hence, the petitioner who is well versed with the chemicals made arrangements for the purchase of Bromine in the name of SMI and thus, co-accused namely, Wafadaar, Hussain, Mohd. Azam and Vijay Kumar Sharma went to Bromos Organic Mohali for purchasing Bromine. It is further contended that 4-methyl Propiophenone is required for manufacturing Mephedrone whereas, Propiophenone as required for manufacturing Ephedrine. The other raw materials for manufacturing Ephedrine and Mephedrone are same. As 4-methyl Propiophenone has also been recovered thus, the recovery of the same clearly proves the manufacturing of Mephedrone in a clandestine manner in the premises of SMI. It is thus, vehemently contended that from the overwhelming evidence recovered, it is evident that the petitioner was not a simplicitor partner of SMI but he was actively involved with the co-accused in allowing them to manufacture Mephedrone in the premises of SMI. It is contended that there are total 11 accused, out of them, 01 died and 01 of the accused namely, Santosh Singh @ Raju is on bail on the medical ground whereas, rest of the 09 accused are behind the bars. It is contended that in all there are 87 prosecution witnesses, out of which, 06 witnesses have been examined. It is contended that the trial is being delayed by the accused persons only. The petitioner was one of the accused since its inception however, he kept avoiding his arrest and



thereafter, finally surrendered on 12.06.2023. It is, thus, contended that keeping in view the gravity of the offences, the bail petition deserves to be dismissed.

5. This Court has heard learned counsel for the parties and perused the record with their able assistance. Admittedly, it has been deciphered that DRI on receiving the intelligence on 29.07.2022 had raided the premises of SMI. During its raid, 10 drums weighing 661.75 kgs were recovered besides the other raw materials. On testing the same, DRI found that the recovered contraband was Ephedrine. Thereafter, as per the procedure established under the NDPS Act, the recovery memos were made, the recovered material was produced before the learned Magistrate. During investigation, the samples taken were got tested from CRCL. Vide its report dated 16.09.2022, the recovered contraband was found to be Mephedrone. As submitted before this Court, the raw materials recovered from the premises were examined. The call details and whatsapp messages of the accused were verified. The complicity of the petitioner *prima facie* was established. Though, there was no formal agreement regarding leasing out the premises but the petitioner was one of the partners of SMI which was a dead industry. This industry was established for manufacturing of PCMX for which it was said to have the legal permission, however, later on, the same became a dead industry. From the evidences collected, transactions were found to have been made through Hawala. The petitioner has been alleged to have facilitated the co-accused for procuring the chemical Bromine for which the invoices were used in favour of the SMI. This chemical was transported in a



clandestine manner through Shristi Logistics from Mohali to SMI, Yamuna Nagar. The main thrust of all the arguments advanced before this Court by learned Senior counsel for the petitioner is to the effect that the contraband recovered from the premises as per the case of DRI was found to be Ephedrine at its initial stage, however, later on, the same in a clandestine manner had been converted to Mephedrone. He had contended that Ephedrine is a controlled substance and the rigours of Section 37 of the NDPS Act would not be attracted for the same. However, to frame the petitioner in a serious offence, the contraband has been declared to be Mephedrone without any credible evidence on record. The Court is conscious of the fact that while dealing with the bail as prayed by the petitioner, this Court cannot stepped into the shoes of the trial Court and thus, cannot give any findings on the arguments advanced before this Court that whether the contraband recovered is Ephedrine or Mephedrone. This can be established only on appreciation of the evidences led by both the sides. However, there are overwhelming evidences produced by DRI wherein, various raw materials, the call CDR, whatsapp messages etc. are recovered during investigation. The same would show a *prima facie* offence having been committed by the petitioner along with the co-accused. The gravity of the offence having been committed cannot be ignored by this Court. Thus, keeping in view the overall facts and circumstances of the case, the Court is not inclined to grant regular bail to the petitioner at this stage. Resultantly, the bail petition filed by the petitioner, being devoid of any merits, is hereby dismissed.

6. However, the Court cannot ignore the fact that the petitioner is behind the bars from the last about 3 years. The total prosecution witnesses cited by the DRI are 87, out of which, only 06 witnesses have been examined so far. Thus, the trial Court is requested to expedite the trial by fixing short dates and conclude the same expeditiously, preferably, within six months.

7. It is being clarified that the prosecution would ensure the presence of the witnesses on the date fixed by the trial Court. It is further being clarified that if the trial Court finds that the defence is intentionally delaying the trial, then the delay occurred would not be attributable to the prosecution and the trial Court would proceed with the trial in accordance with law.

10.03.2026
m.sharma

(RAJESH BHARDWAJ)
JUDGE

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No