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HIGH COURT OF CHHATTISGARH AT BILASPUR

Order reserved on 15.10.2026

Order delivered on 16.10.2026

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MCRC No. 8189 of 2026

Taman Singh Sonwani S/o Late Shri Kalyan Singh Sonwani, Aged About 65 Years Resident Of Village Sarbada, Post Madeli, District Dhamtari, Chhattisgarh

Applicant(s)

versus

Directorate Of Enforcement Through Its Assistant Director, Raipur Zonal Office, Raipur, Chhattisgarh.

Respondent(s)

(Cause-title taken from CIS)

For Applicant(s)	:	Mr. Sunil Otwani, Senior Advocate (through VC) assisted by Mr. Ankush Borkar, Advocate
For Respondent(s)	:	Dr. Saurabh Pande, Advocate

(HON'BLE SHRI JUSTICE BIBHU DATTA GURU)

CAV Order

1. The applicant has preferred the present application under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (for short, 'the BNSS'), seeking regular bail in connection with ECIR No. ECIR/RPZO/01/2024 dated 27.03.2024, registered by the Directorate of Enforcement, Raipur Zonal Office,

for the alleged offence of money laundering under Section 3, punishable under Section 4 of the Prevention of Money Laundering Act, 2002 (for short, 'the PMLA'). The applicant is aged about 65 years. He was arrested by the Directorate of Enforcement in connection with the aforesaid ECIR in July 2026 and is presently in judicial custody. His application for regular bail was rejected by the learned Special Court (PMLA), Raipur, vide order dated 20.08.2026. The present application has been opposed by the Directorate of Enforcement by filing a detailed reply.

2. (A) The genesis of the present proceedings lies in the alleged irregularities in the Chhattisgarh Public Service Commission (CGPSC) State Service Examinations conducted in the years 2020 and 2021. In this regard, FIR No. 05/2024 dated 07.02.2024 was registered by the Economic Offences Wing/Anti-Corruption Bureau, Raipur, under Sections 120-B and 420 of the Indian Penal Code, 1860, and Sections 7, 7A and 12 of the Prevention of Corruption Act, 1988. The investigation was subsequently undertaken by the Central Bureau of Investigation, which registered RC No. RC1242024A0004 dated 09.07.2024 against the applicant and other accused persons. The CBI filed its charge-sheet on 16.01.2025, followed by supplementary charge-sheets dated 26.09.2025 and 31.12.2025.

(B) The allegations against the applicant arise from his tenure as Chairman of the CGPSC during the relevant period. The Directorate of Enforcement alleges that the recruitment process was manipulated by a group of public servants acting in concert with private individuals, resulting in the leakage of examination question papers and the selection of favoured candidates. In particular, it is alleged that an amendment dated 14.07.2021 was introduced in

the relevant recruitment rules by deleting the word “nephew” from the definition of “family”, thereby facilitating the selection of the applicant’s nephews, Nitesh Sonwani and Sahil Sonwani, to the posts of Deputy Collector and Deputy Superintendent of Police, respectively.

(C) The prosecution further alleges that the applicant was involved in the generation, routing and utilisation of proceeds arising from the alleged examination-related conspiracy. A specific allegation concerns the transfer of ₹45,00,000/- by M/s Shri Bajrang Power and Ispat Ltd., through its Director, Shravan Kumar Goyal, to Gramin Vikas Samiti under the guise of Corporate Social Responsibility contributions for a purported educational project described as ‘Kala Mahavidyalaya’. According to the Directorate of Enforcement, the amount represented illegal gratification in consideration of the leakage of examination question papers, which allegedly facilitated the selection of son and daughter-in-law of Shravan Goyal namely; Shashank Goyal and Bhumika Katiyar as Deputy Collectors.

(D) It is further alleged that Gramin Vikas Samiti was controlled by members of the applicant’s family and that amounts were collected from candidates through intermediaries in consideration of the supply of question papers for the Preliminary and Main Examinations. The Directorate of Enforcement refers to an alleged collection of approximately ₹3 crore from more than 33 candidates and asserts that the amounts were routed through banking transactions and other arrangements. The total proceeds of crime identified by the respondent have been stated to be approximately ₹3.45 crore.

(E) The Directorate of Enforcement further relies upon searches conducted under Section 17 of the PMLA on 03.06.2026, during which documents, electronic devices, digital material and cash amounting to ₹8,45,000/- were stated to have been recovered and seized. Statements of persons connected with the examination process and the alleged financial transactions were also recorded under Section 50 of the PMLA. A Provisional Attachment Order dated 21.09.2026 is stated to have been issued in respect of certain movable and immovable properties allegedly acquired out of the proceeds of crime.

(F) The respondent has stated that a prosecution complaint dated 22.09.2026 was filed before the learned Special Court (PMLA), Raipur, against the applicant and six other accused persons. The matter is stated to be pending consideration for cognizance, while further investigation concerning the remaining proceeds of crime, other intermediaries and additional beneficiaries is continuing.

3. (I) Learned counsel appearing for the applicant submits that the allegations are substantially founded upon documentary material already collected by the investigating agencies. It is contended that the CBI had filed its charge-sheet and supplementary charge-sheets in the predicate offence much before the applicant's arrest under the PMLA and that the relevant recruitment records, examination documents, banking transactions and statements are already available with the investigating agencies. According to learned counsel, no recovery of cash or other incriminating material from the applicant after his arrest has been demonstrated so as to justify his continued incarceration.

(II) Learned counsel for the applicant further submits that the alleged transactions relate to an earlier period and that the applicant's arrest under the PMLA took place after the investigation into the predicate offence had substantially progressed. It is argued that the timing of the arrest raises a serious question regarding the necessity of continued detention, particularly when the relevant documentary material has already been collected. The applicant also relies upon the fact that he has no criminal antecedents apart from the proceedings disclosed in the bail application. According to the applicant, in the case at hand no incriminating evidence has been collected by the prosecution against him.

(III) Learned counsel for the applicant has also relied upon the orders dated 29.10.2025 passed by the Hon'ble Supreme Court granting bail to Shashank Goyal, Bhumika Katiyar, Nitesh Sonwani and Sahil Sonwani. It is contended that the allegations arise out of the same recruitment process and that the applicant's prayer deserves consideration on the principle of parity.

(IV) The principal ground urged on behalf of the applicant relates to his medical condition. Learned counsel submits that the applicant suffered episodes of loss of consciousness and bradycardia on 19.08.2026 and was referred to the Cardiology Department of Pt. Jawaharlal Nehru Memorial Medical College and Dr. B.R.A.M. Hospital, Raipur. A temporary pacemaker was implanted on 20.08.2026, and the medical documents relied upon by the applicant refer to the requirement of permanent pacemaker implantation. It is contended that, having regard to the applicant's age and cardiac condition, continued detention poses a serious concern for his health and that the proviso

to Section 45(1) of the PMLA concerning a person who is sick or infirm deserves to be invoked.

4. (a) *Per contra,* learned counsel appearing for the Directorate of Enforcement opposes the application and submits that the material collected during investigation attributes a specific and significant role to the applicant in the alleged examination-related conspiracy and the laundering of the proceeds generated therefrom. It is contended that the allegations are not confined to the applicant's official position or to irregularities in the recruitment process, but extend to the alleged manipulation of recruitment rules, leakage of question papers, receipt and routing of money through a family-controlled society and utilisation of the alleged proceeds of crime.

(b) The respondent submits that the applicant exercised *de facto* control over Gramin Vikas Samiti, whose President was his wife, Padmini Sonwani, and whose Secretary was his brother, Anil Kumar Sonwani. It is further alleged that Lalit Ganvir, the then Treasurer of the Samiti and Deputy Controller of Examinations, CGPSC, operated its bank account under the applicant's instructions. The Directorate of Enforcement relies upon these circumstances, together with the alleged CSR transaction and the statements recorded during investigation, to contend that the applicant was not merely a beneficiary of the alleged irregularities but was actively involved in the financial arrangements through which the proceeds of crime were allegedly routed.

(c) Learned counsel for the Directorate of Enforcement further submits that, during the recording of his statements under Section 50 of the PMLA, the applicant adopted an evasive approach concerning the financial transactions

and expenditure of Gramin Vikas Samiti. It is contended that the applicant sought to attribute responsibility for the financial affairs of the Samiti to his wife and brother, notwithstanding the material relied upon by the respondent concerning his alleged supervision and control over its affairs. The respondent submits that the prosecution complaint has been filed after investigation qua the applicant and the principal co-accused, while further investigation into the remaining proceeds of crime and the wider network is continuing.

(d) With regard to parity, the respondent submits that the applicant's alleged role is materially distinguishable from that of the co-accused who have been granted bail. According to the Directorate of Enforcement, the applicant was the Chairman of the CGPSC and is alleged to have facilitated the recruitment-related conspiracy and the routing of the alleged proceeds of crime, whereas the other accused relied upon by him were allegedly beneficiaries or recipients of the leaked question papers. It is, therefore, contended that the orders granting bail to the co-accused cannot, by themselves, justify the applicant's release. The Directorate of Enforcement has also opposed the application on medical grounds. It submits that the applicant has received medical attention under the supervision of the jail authorities and that the necessary treatment, including permanent pacemaker implantation if advised by the treating specialists, can be provided at an appropriate government hospital while the applicant remains in judicial custody. The respondent further contends that the proviso to Section 45(1) of the PMLA does not confer an automatic right to bail merely because an accused is aged or suffers from a medical condition.

(e) The respondent has additionally relied upon the order dated 29.09.2026 passed by the Superintendent, Central Jail, Raipur, concerning disciplinary

action against three jail personnel following an inquiry into the circumstances of the applicant's hospital escort and an unauthorised meeting which was subsequently circulated through social media. The Directorate contends that the incident demonstrates a serious lapse in custodial security and supports its apprehension that the applicant may, if released, influence persons connected with the investigation or interfere with the proceedings. Learned counsel for the applicant submits that the said order concerns the conduct of the jail personnel and does not establish that the applicant personally arranged the meeting or attempted to influence any witness. Thus, the applicant is not entitled for bail and his bail application deserves to be dismissed.

5. I have heard learned counsel for the parties and perused the material available on record.

6. The principal question for consideration is whether the applicant has made out a case for release on regular bail, having regard to the material relied upon by the prosecution, the submissions advanced on behalf of the applicant, the stage of the proceedings, his medical condition and the statutory restrictions governing the grant of bail under the PMLA.

7. Section 3 of the PMLA defines the offence of money laundering, whereas Section 4 prescribes the punishment for the said offence. Section 45 of the PMLA imposes specific conditions governing the grant of bail in cases involving an offence under the Act. Where the Public Prosecutor opposes the application, the Court must be satisfied that there are reasonable grounds for believing that the accused is not guilty of the alleged offence and that he is not likely to commit any offence while on bail. These conditions operate in

addition to the ordinary considerations governing the exercise of the power to grant bail.

8. The Hon'ble Supreme Court in ***Vijay Madanlal Choudhary v. Union of India, (2022) 10 SCC 386,*** has considered the statutory scheme of the PMLA and the conditions prescribed under Section 45 thereof. The statutory requirements cannot be treated as a mere formality. At the same time, the Court is not required to conduct a detailed evaluation of the evidence as would be undertaken at trial. The exercise at the bail stage is confined to a *prima facie* assessment of the material placed before the Court for determining whether the statutory requirements for release are satisfied, without recording any final finding on the guilt or innocence of the accused.

9. In the present case, the prosecution material attributes to the applicant a specific role in the alleged manipulation of the recruitment rules and the leakage of examination question papers. The allegations concerning the amendment dated 14.07.2021, the selection of the applicant's relatives and the alleged payment of ₹45,00,000/- to Gramin Vikas Samiti are relied upon by the respondent as circumstances connecting the alleged examination irregularities with the financial transactions under investigation. The further allegation that substantial amounts were collected from candidates through intermediaries and routed through the family-controlled Samiti forms part of the prosecution's case concerning the generation and utilisation of proceeds of crime.

10. The applicant disputes the allegations and contends that the material is documentary in nature and has already been secured. The Court is conscious that the allegations made by the prosecution have not yet been established at

trial. Nevertheless, at this stage, the material referred to in the reply cannot be disregarded merely because the applicant disputes the prosecution's interpretation of the transactions. The alleged rule amendment, the relationship between the applicant and the persons stated to have benefited from the examination process, the alleged CSR transaction and the asserted control over Gramin Vikas Samiti have to be considered cumulatively for the limited purpose of the present application.

11. The allegation of money laundering is not confined to the occurrence of irregularities in the predicate offence. The respondent relies upon an alleged chain of financial transactions and the use of a family-controlled society to receive and utilise amounts said to have been generated through the examination-related conspiracy. Whether the payment of ₹45,00,000/- constituted illegal gratification, whether the funds were proceeds of crime, and whether the applicant exercised the degree of control alleged by the prosecution are matters to be determined on the evidence. At the present stage, however, the material relied upon by the respondent discloses a *prima facie* connection between the alleged examination-related activities and the financial transactions forming the basis of the ECIR.

12. The submission that the CBI had already filed its charge-sheet and supplementary charge-sheets before the applicant's arrest under the PMLA has also been considered. The filing of the charge-sheet in the predicate offence is a relevant circumstance, but it does not, by itself, establish that the applicant is entitled to bail in the separate proceedings under the PMLA. The investigation into the scheduled offence and the investigation into the alleged generation, routing, concealment or utilisation of proceeds of crime involve distinct

statutory questions. The completion of the investigation into the predicate offence does not automatically conclude the investigation into the alleged money-laundering activities.

13. The Directorate of Enforcement has stated that the prosecution complaint dated 22.09.2026 has been filed before the learned Special Court (PMLA), Raipur, and that further investigation concerning the remaining proceeds of crime and the role of other persons is continuing. The filing of the prosecution complaint is a relevant circumstance and the continuation of further investigation cannot, by itself, justify indefinite detention. Equally, the filing of the complaint does not automatically entitle the applicant to release. The question must be determined by examining the material relied upon against the applicant and the statutory conditions governing bail. In the present case, the material concerning the alleged recruitment-related conspiracy, the financial transactions and the asserted connection between them does not permit the Court to record the requisite satisfaction that there are reasonable grounds for believing that the applicant is not guilty of the alleged offence.

14. The plea concerning delay in arrest has also been considered. The applicant submits that the alleged transactions relate to an earlier period and that the CBI had filed its charge-sheet and supplementary charge-sheets before the applicant was arrested by the Directorate of Enforcement. The chronology of the proceedings is relevant, and the power of arrest must be exercised in accordance with law. However, the timing of the arrest under the PMLA, considered in isolation, does not establish that the applicant is entitled to bail. The legality of the arrest and the question of entitlement to bail are distinct, although the circumstances surrounding the arrest may be relevant to the latter.

On the material presently placed before this Court, the plea of delay of arrest does not independently warrant the applicant's release.

15. The fact that the material relied upon by the prosecution is substantially documentary in nature has also been taken into account. The availability of documents and banking records with the investigating agency may reduce the possibility of their physical removal or destruction, but it does not, by itself, resolve all concerns relating to the alleged offence or the possibility of interference with persons connected with the proceedings. The respondent asserts that the applicant occupied a position of authority within the CGPSC and exercised influence over the society through which the alleged proceeds were routed. His former official position, standing alone, would not justify denial of bail; however, the specific role attributed to him is a relevant circumstance when considered with the remaining material.

16. The applicant has relied upon the orders dated 29.10.2025 granting bail to Shashank Goyal, Bhumika Katiyar, Nitesh Sonwani and Sahil Sonwani. The principle of parity is an important consideration in the adjudication of bail applications, but it cannot be applied mechanically without examining the role attributed to each accused and the circumstances in which bail was granted. The respondent asserts that the applicant, as Chairman of the CGPSC during the relevant period, allegedly facilitated the recruitment-related conspiracy and the routing of the proceeds of crime, whereas the co-accused relied upon by him were allegedly beneficiaries of the leaked question papers. The role attributed to the applicant is thus stated to be materially different. In the absence of a demonstrated identity of role and circumstances, the orders

granting bail to the co-accused cannot, by themselves, furnish a sufficient basis for the applicant's release.

17. The Court is conscious that the allegations concern the integrity of a public recruitment process and are serious in nature. However, seriousness of the allegations cannot substitute for the statutory assessment required under Section 45 of the PMLA. The applicant continues to enjoy the presumption of innocence, and the prosecution must establish the allegations in accordance with law. At the stage of bail, the Court is required to consider whether the material and circumstances permit the satisfaction mandated by the statute. Having considered the specific allegations concerning the amendment of recruitment rules, the alleged leakage of question papers, the financial transactions and the asserted control over Gramin Vikas Samiti, this Court is unable to record such satisfaction in favour of the applicant.

18. The medical ground requires separate consideration. The documents relied upon by the applicant indicate that he suffered episodes of loss of consciousness and bradycardia, following which a temporary pacemaker was implanted much before i.e. on 20.08.2026. The applicant further relies upon the advice of the treating cardiology department for permanent pacemaker implantation. No medical document has been filed to establish that presently the applicant is suffering with any serious illness.

19. The proviso to Section 45(1) of the PMLA permits the Court to consider the case of a person who is sick or infirm. The provision requires due consideration of the medical circumstances of the accused, but the existence of a medical condition does not in every case result in an automatic entitlement to

release on bail. The nature and seriousness of the condition, the treatment advised, the availability and adequacy of treatment in custody and the circumstances of the case must be considered together. The Court must be satisfied on the basis of the medical material that the circumstances warrant the exercise of the discretion conferred by the proviso.

20. Since the applicant herein is an accused in an ECIR registered by the Directorate of Enforcement for the offences punishable under PMLA, the grant of bail shall be subject to the provisions of Section 45 of the PMLA, relevant portion of which reads as under:

> *"45. Offences to be cognizable and non-bailable.—*
>
> *(1) Notwithstanding anything contained in the Criminal Procedure Code, 1973 (2 of 1974), no person accused of an offence under this Act shall be released on bail or on his own bond unless—*
>
> *(i) the Public Prosecutor has been given a opportunity to oppose the application for such release; and*
>
> *(ii) where the Public Prosecutor opposes the application, the court is satisfied that there are reasonable grounds for believing that he is not guilty of such offence and that he is not likely to commit any offence while on bail:*
>
> *Provided that a person, who, is under the age of sixteen years, or is a woman or is sick or infirm, or is accused either on his own or along with other co-accused of money-laundering a sum of less than one crore rupees may be released on bail, if the Special Court so directs…"*

21. Section 45 of PMLA prescribes the mandatory twin conditions that are required to be met before bail can be granted to an accused, which are as under:

> *a. there are reasonable grounds for believing that the accused is not guilty of the offence of money laundering, and*

b. he is not likely to commit any offence while on bail.

22. However, the proviso to Section 45 provides exceptions to the general rule i.e. the cases where Special Courts can exercise their discretion *de hors* the satisfaction of twin conditions. These exceptions are as follows:

> *a. accused is less than the age of 16 years,*
> *b. accused is a woman,*
> *c. accused is sick or infirm, or*
> *d. if the allegations of money laundering against the accused are of an amount less than one crore rupees.*

23. The High Court of Delhi in ***Kewal Krishan Kumar v. Enforcement Directorate, 2023 SCC OnLine Del 1547*** held as under:

> *27. The Court in Mahendra Manilal Shah (supra) whilst noting the Apex Court's decision in Pawan alias Tamatar (supra) observed as under:*
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> > *"47….(1) Pawan alias Tamatar v. Ramprakash Pandey ((2002) 9 SCC 166 : AIR 2002 SC 2224) (supra). In this case the Hon'ble Supreme Court has set aside the order of the Allahabad High Court granting bail to the accused inter alia on the ground that the allegation of ailment of the applicant is not specifically denied. The Hon'ble Supreme Court was of the view that the ailment of the accused was not of such a nature as to require him to be released on bail. It was observed that the accused can always apply to the jail authorities to see that he gets the required treatment. It was observed that in the application, the applicant had not stated that he still needs medical treatment or that he has not received proper medical treatment from the jail authorities.*
> >
> > ……

50. As observed in the various judgments cited above, mere admission of an accused to a hospital for medical treatment does not entitle an accused to obtain bail under the proviso to Section 437(1) Cr. P.C. In fact as observed earlier the said proviso cannot be resorted to in all cases of sickness. The Court must assess the nature of sickness and whether the sickness can be treated whilst in the custody or in government hospitals. The Court should also be satisfied that a case is made out by the Respondent Accused by himself or through the doctors attending to him that the treatment required to be administered to the Respondent Accused, considering the nature of his ailment cannot be adequately or efficiently be administrated in the hospital in which he is at present and that he needs a better equipped or a speciality hospital…."

(emphasis supplied)

28. The court in Sardool Singh (supra) held, "The sickness contemplated by the proviso is a sickness which involves a risk or danger to the life of the accused person".

29. A combined reading of the PMLA Objects and Reasons, Finance Bill, 2018, the 268th LCI Report and above mentioned precedents indicates that the proviso to Section 45(1) PMLA is a relaxation for sick or infirm persons provided their sickness or infirmity is so grave that it is life endangering and cannot be treated by jail hospitals.

30. Though no straight jacket formula can be laid down as to what is the level of sickness that a person is to suffer to entitle him to bail under section 45(1) proviso, the thumb rule is that the sickness should be so serious that it is life threatening and the treatment is so specialized that it cannot be provided in the jail hospital. However, this is not an exhaustive parameter and each case will depend on its own peculiar facts and circumstances".

24. There is no denying that the act of preserving health of a prisoner/under trial is one of the rights of the prisoners as interpreted by various judgments in India as well as in International Law. The prisoners in jail have acceptable medical infrastructure in consonance with the duty and legal obligation of the State to provide access to medical care for all prisoners and under trials. The jurisprudence of medical care and attention to the prisoners mandates that timely medical care must be available to all under trials/prisoners, and in appropriate cases, timely medical care includes regular access to specialized diagnostic care or post surgery care etc. which should be made available without interruption.

25. In the present case, the applicant has relied upon the medical records concerning the temporary pacemaker and the advice for permanent pacemaker implantation. The Directorate of Enforcement does not dispute the treatment already received, but submits that the required procedure can be undertaken at an appropriate government hospital while the applicant remains in judicial custody. It has specifically referred to the availability of specialised medical facilities at Pt. J.N.M. Medical College and Dr. B.R.A.M. Hospital, Raipur, and the possibility of referral to AIIMS, Raipur, if required.

26. The material placed before the Court does not establish that the requisite treatment cannot be provided while the applicant remains in judicial custody or that his condition is incapable of being managed through appropriate medical intervention. In these circumstances, and in view of the specific undertaking of the respondent that the required procedure can be facilitated at a government hospital, this Court is not persuaded to exercise the discretion under the sick-or-infirm proviso to direct the applicant's release on regular bail.

27. The order dated 29.09.2026 passed by the Superintendent, Central Jail, Raipur, has also been considered. The said order records that three jail personnel were dismissed from service following an inquiry into alleged lapses in security arrangements during the applicant's hospital escort and an unauthorised meeting which was subsequently circulated through social media. The document is relevant to the circumstances brought to the notice of the Court concerning compliance with custodial security protocols.

28. The respondent has further contended that several persons connected with the recruitment process, including officials and persons associated with the concerned society, are potential witnesses and that further investigation into the remaining proceeds of crime is continuing. The respondent apprehends that the applicant's release may enable him to influence persons connected with the proceedings. Such apprehension cannot rest merely upon the applicant's former official position or upon the disciplinary action against the jail personnel. However, when considered alongside the specific role attributed to the applicant, the alleged financial arrangements and the continuing proceedings, the concern expressed by the respondent cannot be treated as wholly irrelevant. The applicant's willingness to cooperate with the proceedings is a relevant consideration, but it does not, by itself, resolve the question whether the statutory conditions for grant of bail are satisfied.

29. For consideration of the bail application under PMLA, 2002 the Court need not go deep inside the merits of the case but should consider the prima facie material against the accused in the case. The Hon'ble Supreme Court in the matter of ***Vijay Madanial Choudhary*** (supra) has observed in para 401 of its judgment that:-

> *"401. We are in agreement with the observation made by the Court in Ranjitsing Brahmajeetsing Sharma [(2005) 5 SCC 294). The Court while dealing with the application for grant of bail need not delve deep into the merits of the case and only a view of the Court based on available material on record is required. The Court will not weigh the evidence to find the guilt of the accused which is, of course, the work of Trial Court. The Court is only required to place its view based on probability on the basis of reasonable material collected during investigation and the said view will not be taken into consideration by the Trial Court in recording its finding of the guilt or acquittal during trial which is based on the evidence adduced during the trial. As explained by this Court in Nimmagadda Prasad [(2013) 7 SCC 466], the words used in Section 45 of the 2002 Act are "reasonable grounds for believing" which means the Court has to see only if there is a genuine case against the accused and the prosecution is not required to prove the charge beyond reasonable doubt."*

30. In the case of ***Satish Jaggi Vs. State of Chhattisgarh, (2007) 11 SCC 195,*** the Hon'ble Supreme Court has held that "at the stage of granting of bail, the Court can only go into the question of prima facie case established for granting bail, it cannot go into the question of credibility and reliability of witnesses put up by the prosecution. The question of credibility and reliability of prosecution witnesses can only be tested during trial."

31. The Delhi High Court in its order dated 07.03.2024 passed in Bail Application No. 3807/2022 (Sanjay Jain Vs. Enforcement Directorate) after relying upon the observations made in the case of ***Vijay Madanlal Choudhary (Supra)*** has observed in para 49 that:-

"49. It thus, emerges that at the stage of considering a bail application under the PMLA, the Court has to bear in mind the following aspects:

(i) Whether the accused possessed the requisite mens rea.

(ii) The words used in Section 45 of the 2002 Act are "reasonable grounds for believing which means the Court has to see only if there is genuine case against the accused and the prosecution is not required to prove the charge beyond reasonable doubt.

(iii) A positive finding that the accused had not committed an offence under the Act is not required to be recorded. A delicate balance between a judgment of acquittal/conviction and order granting bail much before commencement of the trial is to be maintained.

(iv) The evidence is not to be weighed meticulously but a finding is to be arrived at on the basis of broad probabilities with reference to the material collected during investigation. The weighing of evidence to find the guilt of the accused is the work of Trial Court.

(v) A finding is also required to be recorded as to the possibility of the bail applicant committing a crime after grant of bail. This aspect has to be considered having regard to the antecedents of the accused, his propensities and the nature and manner in which he is alleged to have committed the offence."

32. The Hon'ble Supreme Court in the case of ***Y.S. Jagan Mohan Reddy Vs. CBI, reported in (2013) 7 SCC 439*** has held in para 34 and 35 of its judgment that

"34. Economic offences constitute a class apart and need to be visited with a different approach in the matter of bail. The economic offences having deep-rooted conspiracies and involving huge loss of public funds need to be viewed seriously and offences

affecting the considered economy of the country as a whole and thereby posing serious threat to the financial health of the country.

35. While granting bail, the court has to keep in mind the nature of accusations, the nature of 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, reasonable possibility of securing the presence of the accused at the trial, reasonable apprehension of the witnesses being tampered with, the larger interests of the public/State and other similar considerations.

33. The Hon'ble Supreme Court in the matter of ***Vijay Madanlal Choudhary (supra)*** has observed in para 398 as under :-

398. Thus, it is well settled by the various decisions of this Court and policy of the State as also the view of international community that the offence of money-laundering is committed by an individual with a deliberate design with the motive to enhance his gains, disregarding the interests of nation and society as a whole and which by no stretch of imagination can be termed as offence of trivial nature. Thus, it is in the interest of the State that law enforcement agencies should be provided with a proportionate effective mechanism so as to deal with these types of offences as the wealth of the nation is to be safeguarded from these dreaded criminals. As discussed above, the conspiracy of money-laundering, which is a three-staged process, is hatched in secrecy and executed in darkness, thus, it becomes imperative for the State to frame such a stringent law, which not only punishes the offender proportionately, but also helps in preventing the offence and creating a deterrent effect."

34. Having considered the rival submissions made by the respective parties and also from the material produced in the present case, it is not acceptable that the present applicant did not know about the transactions. Denial by the

accused itself is not sufficient to consider prima facie that there is no *mens rea* of the applicant for the said offence under the PMLA 2002.

35. As has been discussed hereinabove, it cannot be said that there is no involvement of the applicant in the offence in question. Considering the role of the applicant in the ensuing money laundering case of proceeds of crime, it is found that there is sufficient evidence collected by the ED/respondent to prima facie show the involvement of the applicant in the offence of money laundering. It is an organized crime having various facets of its complexion, therefore, further considering the provisions of Section 45 of the PMLA, 2002 this Court is satisfied that there is reasonable ground for believing that the applicant is involved in the offence and he is likely to commit any other offence while on bail.

36. It is pertinent to mention here that the proviso to Section 45 (1) has to be applied in exceptional circumstance. In the matter of ***State of Uttar Pradesh v. Gayatri Prasad Prajapati, (2022) 15 SCC 515,*** the Supreme Court held that before an accused is released on medical grounds, the Court must satisfy itself that the treatment available to the accused in custody is inadequate. Hence, after examination of material placed by the Applicant and Respondent, it is observed that there is no medical material on record to demonstrate a life threatening condition or inadequacy of the custodial system to provide requisite treatment to the applicant.

37. Upon an overall consideration of the material placed on record, this Court finds that the prosecution has attributed a specific role to the applicant in the alleged recruitment-related conspiracy and the alleged routing and

utilisation of proceeds of crime. The submissions concerning the documentary nature of the evidence, the timing of the arrest and parity with the co-accused have been considered but do not, in the circumstances of the present case, warrant release on bail. The medical condition has also been considered independently, and the material presently available does not establish that the requisite treatment cannot be provided while the applicant remains in judicial custody.

38. In view of the foregoing discussion, this Court is unable to record the requisite satisfaction under Section 45 of the PMLA for grant of bail to the applicant. The application for regular bail, therefore, does not merit acceptance at this stage. Accordingly, the application under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023, read with Section 45 of the Prevention of Money Laundering Act, 2002, is liable to be and is hereby **rejected**.

Sd/-

(BIBHU DATTA GURU)

JUDGE

Rahul

HEAD NOTE

In absence of medical material demonstrating a life threatening condition or the inadequacy of the custodial system to provide the requite treatment, the statutory exception as provided under Section 45(1) of the Prevention of Money Laundering Act, 2002 ought not to be invoked.