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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

DECIDED ON : 29th MAY, 2017

\+ **BAIL APPLN. 835/2017 & CRL.M.B. 844/17**

PARAS MAL LODHA ..... Petitioner

Through : Mr.Vikram Chaudhri, Sr.Advocate with Mr.Raktim Gogoi, Mr.Harshit Sethi, Mr.Kartikeya Singh & Ms.Pragati Sharma, Advocates.

versus

ASSISTANT DIRECTOR, DIRECTORATE OF ENFORCEMENT ..... Respondent

Through : Mr.Amit Mahajan, CGSC with Mr.Kunal Dutt, Advocate & Mr.Naresh Gupta, A.D.

CORAM:
HON'BLE MR. JUSTICE S.P.GARG

S.P.GARG, J. (Oral)

1. The petitioner seeks regular bail under Section 439 Cr.P.C. in case ECIR No.14/DZ-II/2016 registered under Sections 3 and 4 of Prevention of Money Laundering Act, 2002 (In short 'PMLA'). Status report / counter affidavit is on record.

2. I have heard the learned Senior Counsel for the petitioner and the learned Standing Counsel for the respondent and have examined the file.

3. The petitioner is in custody since 19.12.2016.

4. Allegations against the petitioner are that premises bearing No.R-89, Greater Kailash part-I, New Delhi, were searched by Income Tax

and Delhi Police Crime Branch on 10.12.2016; ₹13.65 crores were recovered and seized; it included ₹2.62 crores of new denomination notes of ₹2,000/-. Following search, Crime Branch registered an FIR No.197/2016 dated 14.12.2016 under Sections 420/409/188/120B IPC. The matter was taken up thereafter by Enforcement Directorate. Inquiry / investigation was initiated to identify the individuals involved in the offence of money laundering. During investigation, it emerged that several people were involved in the deep rooted racket to convert the demonetized currency into monetized currency. It revealed that the petitioner along with others had indulged in criminal activity to sabotage the demonetization policy announced by the Government of India.

5. Learned Standing Counsel for the Enforcement Directorate urged that the petitioner is one of the main accused who along with others exchanged demonetized currency into the monetized currency on illegal commission basis for various people. Look-Out Circular was requested by the Enforcement Directorate to be opened against the petitioner. Pursuant to that, the petitioner was intercepted by the immigration officials at Mumbai Airport while attempting to flee to Malaysia. Learned counsel further urged that the petitioner converted demonetized currency into monetized currency to the tune of ₹15 crores of co-accused Rohit Tandon; he did so for Sekar Reddy, Chennai to the tune of ₹6 – 7 crores. ₹2.62 crores recovered from Rohit Tandon's premises belonged to the petitioner. Complaint under Section 45 has already been filed against the petitioner and others before learned Special Judge. Provisions of PMLA have overriding effect on Cr.P.C. In his statement recorded under Section 50 PMLA, the petitioner admitted that this amount belonged to him.

6. Specific query was put to ascertain if the petitioner was involved in any other case. Learned Senior Counsel for the petitioner informed that the petitioner has not been arrested till date in case FIR No.197/2016 dated 14.12.2016 for commission of 'scheduled offence' under PMLA. He further informed that the petitioner was arrested in another PMLA case by Enforcement Directorate, Chennai, in ECIR No.19/CEZO/2016 dated 19.12.2016. It was further pointed out that the petitioner was taken on production warrants there but subsequently no application was filed by Enforcement Directorate in the said case to seek extension of remand. Order dated 08.03.2017 of the learned Special Court in the said proceedings reads as under :

> *"...... on filing petition, remand of the accused was extended till 2.2.2017. On that day, the accused was not produced before this Court and remand was not extended after 2.2.2017 in this case and* ***so he is not in custody of this case from 3.2.2017 till date****."*

7. Apparently, the petitioner presently is involved in the instant PMLA case only.

8. Admitted position is that the premises where raid was conducted on 10.12.2016 i.e. R-89, Greater Kailash part-I, New Delhi, did not belong to the petitioner. It is also admitted that at the time of recovery of ₹2.62 crores in the denomination of ₹2000 currency notes, the petitioner was not present in the said premises. On being asked whether the currency ₹2.62 crores recovered from Rohit Tandon's premises belonged to the

petitioner, learned Senior Counsel, on instructions, emphatically denied if the said currency belonged to the petitioner. Learned Standing Counsel for the respondent fairly admitted that no other recovery of any cash was effected at petitioner's instance either at his residence or any other place. When specifically enquired as to how the money recovered from Rohit Tandon's premises was connected with the petitioner, the learned counsel informed that statements of co-accused Rohit Tandon and his employees have been recorded and they have disclosed in their statements that the currency belonged to the petitioner. These statements are to be tested during trial. Status report reveals that Vijay Kumar @ Kant Mishra has claimed ownership of the new currency recovered from the spot before Income Tax Department. No credible evidence is on record to infer as to whom the money belonged and how the petitioner was beneficiary.

9. Considering the above facts and circumstances and detention period undergone by the petitioner since 19.12.2016, he is admitted to bail on furnishing personal bond in the sum of ₹ 5 lacs with one surety in the like amount to the satisfaction of the Trial Court. The petitioner shall not leave India without prior permission of the Trial Court.

10. The bail application stands disposed of. Pending application also stands disposed of.

11. Order '*dasti.*'

(S.P.GARG)
JUDGE

MAY 29, 2017 / *tr*