

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CRM-M-55190-2025

Ram Niwas Surjakhera alias Ram Niwas

....Petitioner

Versus

Directorate of Enforcement

....Respondent

1	The date when the judgment is reserved	23.02.2026
2	The date when the judgment is pronounced	25.03.2026
3	The date when the judgment is uploaded on the website	25.03.2026
4	Whether only operative part of the judgment is pronounced or whether the full judgment is pronounced	Full
5	The delay, if any, of the pronouncement of full judgment, and reasons thereof	Not Applicable

CORAM: HON'BLE MR. JUSTICE TRIBHUVAN DAHIYA

Present: Mr. Vikram Chaudhri, Senior Advocate, with
Ms. Hargun Sandhu, Advocate, and
Mr. Sajal Bansal, Advocate, for the petitioner.

Mr. Zoheb Hossain, Special Counsel,
(through video conferencing), and
Mr. Akash Vashisth, Panel Counsel, for the respondent-ED.

TRIBHUVAN DAHIYA, J.

The petition has been filed seeking a direction to release the petitioner on regular bail in prosecution complaint No.COMA 18 of 2025 titled *Directorate of Enforcement v. Sunil Kumar Bansal and others*, dated 06.08.2025, Annexure P-18, in ECIR/CDZO-I/15/2023 dated 26.10.2023, Annexure P-3, for the commission of offence under Section 3, punishable



under Section 4 of the Prevention of Money Laundering Act, 2002 (for short, 'the PMLA'), arising out of scheduled/predicate offence in case FIR No.0116, dated 07.03.2023, registered under Sections 120-B, 420, 467, 468 and 471 IPC at Police Station Sector 7, Panchkula.

2. The allegations against the petitioner as mentioned in the written statement filed on behalf of the respondent-Directorate of Enforcement (for short 'the ED') are as under:

90. That FIR No. 116/2023 dated 07.03.2023 under Sections 120B, 420, 467, 468, and 471 of the IPC was registered by P.S. Sector-7, Panchkula (Haryana Police) against unknown persons. The FIR was based on a complaint submitted through Shri Chaman Lal, Chief Accounts Officer and Drawing & Disbursing Officer in the office of the Chief Administrator, Haryana Shahari Vikas Pradhikaran ("HSVP"). In the complaint, HSVP reported that it had suffered financial fraud and loss through Bank Account No. 1183002100026639 maintained with Punjab National Bank (PNB), Manimajra, Chandigarh. As per the FIR, during the operational period of this account between 2015 and 2019, debit transactions totalling approximately ₹70 crores were repeatedly made in favour of certain parties without any justifiable reason. An internal inquiry conducted by HSVP revealed that the said account was not reflected in the records of its cash branch or IT wing, indicating that the account was operated fraudulently and without the knowledge of HSVP, thereby causing clandestine financial loss.

91. Thereafter, an ECIR was recorded by this directorate bearing No ECIR/CDZO-I/15/2023 dated 26.10.2023. During the ongoing investigation under PMLA by the Directorate of Enforcement, various documents including statements of various persons recorded u/s 50(1) read with Section 50(2) of



PMLA, 2002 and other incriminating evidences were collected, wherein it is revealed as follows.

92. During the period from 2015 to 2019, the applicant Ram Niwas (till 2017), along with co-accused Sunil Kumar Bansal (till 2019), were serving as Accounts Assistant and Senior Accounts Officer at HSVP, respectively. While discharging their official duties, Ram Niwas and Sunil Kumar Bansal entered into a criminal conspiracy to defraud HSVP by involving third parties whose bank accounts were used to receive funds from HSVP without any legitimate reason. The amounts received were subsequently withdrawn in cash and handed over to Ram Niwas and Sunil Kumar Bansal. A portion of the remaining funds was further transferred to various individuals/entities as instructed by the said accused persons.

93. The statement of the Branch Head of IDBI Bank, Lohgarh, where multiple bank accounts were held in the names of persons who received funds from HSVP, was recorded under Section 50 of the PMLA on 02.07.2024 and 03.07.2024. In his statement, he stated that Ram Niwas and Sunil Kumar Bansal had visited his residence to facilitate the opening of several bank accounts, on the explicit condition that large sums of cash would be withdrawn from these accounts held in the names of various individuals. He further confirmed that both Ram Niwas and Sunil Kumar Bansal were serving in HSVP at the relevant time. He stated that they would make phone calls to him before credits were made to these accounts from HSVP (erstwhile HUDA) accounts, and again after the credits, to confirm that the amounts were successfully deposited. Following this, both accused would direct him over phone calls to arrange for cash withdrawals from these accounts. On one occasion, the Branch Head cautioned Ram Niwas against such large cash withdrawals, to which Ram Niwas acknowledged but did not stop the activity. During the relevant period, more than ₹100 crores were withdrawn in cash from this branch.



94. During the period from 2014-15, several beneficiaries who had fraudulently received funds from HSVP admitted that, while visiting the HSVP office to claim compensation for land acquired by HSVP (formerly HUDA), they came into contact with Ram Niwas. He offered to assist them in securing their compensation and, in return, asked them to provide details of bank accounts held in their names or those of their family members. He informed them that funds from HSVP, different from their actual compensation amount, would be credited to these accounts and that the funds would either be returned in cash or transferred further as instructed by him.

95. During the investigation, statements of multiple beneficiaries were recorded under Section 50 of the PMLA, 2002. These individuals stated that the funds fraudulently credited to their accounts from HSVP were withdrawn in cash and handed over to Ram Niwas and Sunil Kumar Bansal. The detailed contents of these statements have not been reproduced herein, as they form part of the ongoing investigation.

3. Learned senior counsel for the petitioner contended that the petitioner was summoned by the ED on three occasions, 05.06.2023, 04.07.2024, and 30.05.2025. He duly cooperated and his statement was recorded under Section 50 of the PMLA. The requisite documents, including comprehensive financial records of his family members, were also furnished. However, on appearance before the ED again on 09.06.2025, he was arrested and remanded to judicial custody. The ED was given his custody on 20.08.2025, and he has remained incarcerated since then. The prosecution complaint against him has been filed on 06.08.2025. It contains 111 documents running into 11,091 pages, and 39 witnesses have been cited.

There are total five accused, of whom only two, the petitioner and Sunil Kumar Bansal, have been arrested and are in custody. Further, chargesheet in



the predicate offence was filed on 30.09.2025, and the supplementary chargesheet on 17.11.2025, citing 25 prosecution witnesses and 149 documents running into 3000 pages; cognizance is still to be taken. It is, therefore, apparent that trial of the case will take very long to conclude, and that will be infraction of the petitioner's Fundamental Right under Article 21 of the Constitution. Accordingly, he is entitled to be released on bail irrespective of provisions of Section 45(1)(iii) of the PMLA. In support of the contentions, he has relied upon the Supreme Court judgment in *V. Senthil Balaji v. Deputy Director, Directorate of Enforcement*, 2024 SCC Online SC 2626; the relevant paragraphs whereof read as under:

25. Considering the gravity of the offences in such statutes, expeditious disposal of trials for the crimes under these statutes is contemplated. Moreover, such statutes contain provisions laying down higher threshold for the grant of bail. The expeditious disposal of the trial is also warranted considering the higher threshold set for the grant of bail. Hence, the requirement of expeditious disposal of cases must be read into these statutes. Inordinate delay in the conclusion of the trial and the higher threshold for the grant of bail cannot go together. It is a well-settled principle of our criminal jurisprudence that “bail is the rule, and jail is the exception.” These stringent provisions regarding the grant of bail, such as Section 45(1)(iii) of the PMLA, cannot become a tool which can be used to incarcerate the accused without trial for an unreasonably long time.

26. There are a series of decisions of this Court starting from the decision in the case of K.A. Najeeb, which hold that such stringent provisions for the grant of bail do not take away the power of Constitutional Courts to grant bail on the grounds of violation of Part III of the Constitution of India. We have already referred to paragraph 17 of the said decision, which lays down that the rigours of such provisions will melt down where



there is no likelihood of trial being completed in a reasonable time and the period of incarceration already undergone has exceeded a substantial part of the prescribed sentence. One of the reasons is that if, because of such provisions, incarceration of an undertrial accused is continued for an unreasonably long time, the provisions may be exposed to the vice of being violative of Article 21 of the Constitution of India.

4. *Per contra*, learned counsel for the ED contended that the petitioner's regular bail application was dismissed on merits by learned Special Judge on 29.07.2025, as he failed to satisfy the mandatory conditions of Section 45 PMLA. Accordingly, merely on the ground that trial is not likely to conclude in near future, he cannot be released on bail; in fact, this assertion has no legs to stand upon. The petitioner has not undergone long incarceration, nor is there any basis to contend that trial will take long time to conclude. Looking at the number of witnesses and the documents relied upon, it cannot be said the trial will not be concluded soon. Besides, there is no thumb rule that bail has to be granted irrespective of merits solely on the ground of period of incarceration. There are numerous judgments of the Supreme Court and other High Courts declining bail even after about one and half years of incarceration. On merits of the case, learned counsel for the ED contended that the allegations against the petitioner are very serious as he, along with the main accused, facilitated fraudulent transactions swindling away more than a thousand crores of rupees of Haryana Shehri Vikas Pradhikaran (for short, 'the HSVP'). There is material to establish that he withdrew more than a hundred crore of rupees in cash from the IDBI Bank, Lohgarh Branch. The evidence collected by the ED shows that he committed the scheduled offence and generated proceeds of crime, and his



active role in layering, concealment and utilisation of tainted money also gets established.

5. Submissions made by learned counsel for the parties have been considered.

6. The petitioner has sought regular bail on the ground of long incarceration, and the trial not likely to be concluded in foreseeable time. The assertion has no basis in view of the facts that there are 5 accused, 39 witnesses and 111 documents relied upon by the prosecution. These facts do not in any manner establish that the trial is not likely to be concluded in near future as the number of witnesses and the accused is not too large. Besides, the petitioner is in custody since 09.06.2025, and the maximum sentence prescribed for the offence under Section 4 PMLA is seven years. Therefore, the period of custody is also not substantial to entitle the petitioner to bail *dehors* the merits of the case at this stage. *Secondly*, the observations in *V. Senthil Balaji* case *ibid.* relied upon by learned senior counsel for the petitioner are not in sync with the facts of the case, and no benefit can be drawn by him on that basis. It was a case where there were more than 2000 accused, and 550 prosecution witnesses had been cited. The Court found that even on the issue of framing charge, a large number of accused would have to be heard and there was no likelihood of the trial being concluded within three to four years. It was in these circumstances the Court observed that the appellant's continued detention would be an infringement of his Fundamental Right to speedy trial guaranteed under Article 21. The observations to that effect are as follows:

15. We have already narrated that there are three scheduled offences. In the main case (CC Nos. 22 and 24 of 2021), there



are about 2000 accused and 550 prosecution witnesses cited. Thus, it can be said that there are more than 2000 accused in the three scheduled offences, and the number of witnesses proposed to be examined exceeds 600.

16. xxx xxx

17. Thus, on the issue of framing of charge or discharge, a large number of accused will have to be heard. The trial of the scheduled offences will be a warrant case. Therefore, even if the trials of the scheduled offences are expedited, the process of framing charges may take a few months as many advocates representing more than 2000 accused persons will have to be heard. There are bound to be further proceedings arising out of orders on charge. After that, more than 600 witnesses will have to be examined. Documentary and electronic evidence is relied upon in the scheduled offences. Even if few witnesses are dropped, a few hundred witnesses will have to be examined. Presence of all the accused will have to be procured and their statements under Section 313 of the Criminal Procedure Code, 1973 will have to be recorded. Therefore, even in ideal conditions, the possibility of the trial of scheduled offences concluding even within a reasonable time of three to four years appears to be completely ruled out.

18 to 28 xxx xxx

29. As stated earlier, the appellant has been incarcerated for 15 months or more for the offence punishable under the PMLA. In the facts of the case, the trial of the scheduled offences and, consequently, the PMLA offence is not likely to be completed in three to four years or even more. If the appellant's detention is continued, it will amount to an infringement of his fundamental right under Article 21 of the Constitution of India of speedy trial.

Looking at the number of accused, the witnesses and the documents relied upon in the instant case, it cannot be concluded that trial will be delayed

inordinately. Consequently, the petitioner can be released on bail only on



satisfying the twin conditions under Section 45 PMLA, that there are reasonable grounds to believe he is not guilty of the offence of money laundering, and not likely to commit any offence while on bail. But no attempt has been made to show that these conditions have been met in the petitioner’s case, and the bail has been sought on different grounds, as aforementioned.

7. Accordingly, finding no merit in the petition, it stands dismissed.

(TRIBHUVAN DAHIYA)
JUDGE

25.03.2026
Maninder

Whether speaking/reasoned	:	Yes
Whether reportable	:	Yes