IN THE HIGH COURT OF JHARKHAND AT RANCHI
B.A. No. 9241 of 2026
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1. Basudeb Bagchi, aged about 70 years, son of late Nirendra Nath Bagchi, Director, M/s Prayag Infotech High Rise Ltd. having registered office at P-45, Bhupan Roy Road, Behala, P.O & PS-Behala, Kolkata-34 (West Bengal).
2. Avik Bagchi, aged about 42 years, son of Sri Basudeb Bagchi, Director, M/s Prayag Infotech High Rise Ltd. having registered office at P-45, Bhupan Roy Road, Behala, P.O & PS-Behala, Kolkata-34 (West Bengal).

Both residents of 139/21/1, B.C. Road, P.O & PS-Behala, District-Kolkata-34 (West Bengal)

……Petitioners

Versus

Directorate of Enforcement, Government of India represented through its Assistant Director, Ranchi Sub Zonal Office, Kaushalya Chambers-II, P.P. Compound, P.O-Doranda, P.S-Hindpiri, District-Ranchi-834001 (Jharkhand)

.....Opposite Party

CORAM: HON'BLE MR. JUSTICE SUJIT NARAYAN PRASAD

For the Petitioners : Ms. Misha Rohtagi Mohta, Advocate
Mr. Amulya Upadhyay, Advocate
Mr. Akhouri Awinash Kumar, Advocate
Mrs. Akhouri Ayushi Singh, Advocate

For the Opp. Party : Mr. Amit Kumar Das, Sr. Advocate
Mr. Saurav Kumar, Advocate
Ms. Megha Singh, Advocate

C.A.V. on 28/10/2026 ***Pronounced on18/11/2026***

Prayer:

1. The instant application has been filed under Sections 483 and 484 of the Bhartiya Nagrik Suraksha Sanhita, 2023 praying for grant of bail in connection with ECIR Case No. 01 of 2019 arising out of ECIR-RNSZO/01/2016 dated 14.09.2016 registered for the offence under Section 3 read with section 70 of the Prevention of Money Laundering

Act, 2002 [hereinafter referred to as PML Act, 2002] punishable under Section 4 of the PML Act, 2002, based on the two FIRs registered by the Central Bureau of Investigation (CBI) bearing Nos. RC 8(A)/2015-D and RC 7 (A)/2015-D, both dated 30.06.2015 at Dhanbad and one FIR bearing No. RC 8(S)/2015-R dated 30.06.2015 at Ranchi against 33 companies, their directors/promoters and others under sections 120-B read with 420 IPC and the relevant provision of the Prevention of Corruption Act, 1988.

Factual Matrix of the Case

2. An ECIR bearing No. ECIR/RNSZO/01/2016 was recorded on 14.09.2016 based on the aforesaid FIRs. Subsequently, the prosecuting agency, i.e., the Directorate of Enforcement started investigating the matter.

3. After completion of the investigation in the aforesaid ECIR, the Directorate of Enforcement filed a prosecution Complaint dated 22.05.2019 before Ld. Special Court under Sections 44 and 45 of the PML Act, 2002, alleging commission of offences under Section 3 read with section 70, punishable under Section 4 of the PML Act.

4. In the said prosecution complaint, it was, inter alia alleged that M/s Prayag Infotech Hi-Rise Ltd. and M/s Prayag Infotech Network Pvt. Ltd. had collected an aggregate amount of approximately Rs.2,862.84 crores from about 38.71 lakh investors, out of which approximately Rs. 1,140.26 crores had been repaid to about 10.02 lakh investors, leaving an alleged outstanding liability of approximately Rs. 1,906.22 crores as on 31.03.2016.

5. Upon filing of the Prosecution Complaint, Learned Special Court took cognizance of the offences under Sections 3 and 4 read with Section 70 of the Prevention of Money-Laundering Act, 2002 in ECIR Case No. 1 of 2019 vide order dated 22.05.2019 and issued summons to the Petitioners herein.

6. The Petitioners appeared through their learned counsel and filed an application under Section 205 of the Code of Criminal Procedure seeking exemption from personal appearance, which was rejected vide order dated 18.07.2019. Thereafter, on 13.08.2019, Ld. Special Court issued Non-Bailable Warrants against the Petitioners.

7. The Petitioners had filed Anticipatory Bail Application No. 1793 of 2019 before Learned Special Court, Ranchi, which came to be dismissed on 03.10.2019. Subsequently, proceedings under Sections 82 and 83 of the Code of Criminal Procedure were initiated against the Petitioners vide Order dated 05.11.2019 and 06.01.2020 respectively.

8. The Petitioners challenged the said proceedings before this Hon'ble Court by filing Cr.M.P. No. 57 of 2020, which was disposed of vide order dated 24.06.2020 passed by a single Bench of this Court wherein the process issued under Section 82 and 83 Cr.P.C. has been quashed and set-aside. Thereafter, fresh proclamation proceedings were initiated in the midst of Covid-19, whereupon the Petitioners filed Cr. M.P. No. 1948 of 2020 before this Hon'ble Court, which was dismissed as withdrawn vide order dated 08.04.2026 passed by this Court.

9. On 30.03.2026, the Petitioners moved an application before Ld. Special Court, Ranchi seeking issuance of a production warrant,

informing the Court that they were in judicial custody in the another ECIR registered in Kolkata.

10. That after withdrawal of the Cr. M.P. No. 1948 of 2020 filed by the petitioners, they appeared before the jurisdiction of Learned Special Court, Ranchi.

11. The Petitioners thereafter filed an application seeking recall of the coercive process and for release on bond under Section 88 read with Section 170 of the Code of Criminal Procedure. The said application was rejected vide order dated 11.05.2026, while granting liberty to the Petitioners to file an application for regular bail. Pursuant thereto, custody warrants were issued, and the Petitioners were remanded to judicial custody.

12. It is stated that in connection with the same transactions for which the present ECIR has been registered in Ranchi, one another ECIR No.KLZO-1/15/2024 dated 01.08.2024 was recorded by ED, Kolkata and these petitioners have been granted regular bail in that very case by the Hon'ble Supreme Court vide order dated 24.07.2026 passed in SLP (Crl.) No.7613 of 2026.

13. Thereafter, the present petitioner preferred Misc. Cri. Application No. 1759 of 2026 for grant of bail before the special Judge which was rejected, vide order dated 28.08.2026 by the learned Spl. Judge, PML Act, Ranchi, hence, the instant bail application has been filed before this Court.

Argument advanced by learned counsel for the petitioners:

14. Ms. Misha Rohtagi Mohta, the learned counsel assisted by Mr. Akhouri Awinash Kumar, the learned counsel appearing for the petitioners has argued *inter alia* on the following grounds:

I. That the petitioners are quite innocent and has falsely been implicated in this case with oblique motive and *mala fide* intention to harass the petitioners.

II. The petitioners have duly cooperated with the investigation agency and further as and when required they appeared before the concerned agency despite that they have been arrested in the present case.

III. It has been contended that no attributability is available from commission of offence said to be there attracting ingredient under Sections 3 and 4 of PML Act, 2002.

IV. It has been contended that the law laid down in the case of ***Tarsem Lal v. Directorate of Enforcement, (2024) 7 SCC 61, Manish Sisodia v. Directorate of Enforcement, 2024 SCC OnLine SC 1920***, and the order dated 24.07.2026 of the Hon'ble Supreme Court granting regular bail to these very Petitioners in the connected ECIR**,** has not been followed therefore, the very remand of the petitioners is *per se* illegal and is fit to be quashed and set aside and, accordingly, the petitioners may be directed to be released from judicial custody.

V. It has been contended that the petitioners have been arrested arbitrarily and there was no necessity to arrest the petitioners, due to the reason that the petitioners have always cooperated with the

investigating agency, i.e., E.D.

VI. There are 19 witnesses and documents and over thousands of pages of documents therefore trial would take a long time. Petitioners do not deserve to be in custody when all the documents are already in possession of E.D and as such, the learned trial Court has erred in rejecting the bail application of this petitioners.

VII. It has further been contended that the Hon'ble Supreme Court has already granted bail to the Petitioners vide order dated 24.07.2026 in respect of the Second ECIR, being ECIR No. KLZO-1/15/2024, which is founded on identical allegations arising from the same underlying transactions as the present ECIR. While granting bail, the Hon'ble Supreme Court took into consideration the overall period of pre-trial incarceration of almost 40 months, which had exceeded one-third of the maximum punishment prescribed under the PMLA, since the Petitioners are facing multiple prosecutions for identical allegations.

VIII. Petitioners have been granted bail in all other matters, to the best of their knowledge and there is no allegation of non-compliance of bail conditions.

IX. It has been contended that all the properties/assets in question have already been attached by the E.D, Kolkata and confirmed by Ld. Adjudicating Authority PMLA, and, therefore, there is no apprehension of the assets being disposed during pendency of the proceedings.

X. It has been contended that the Ld. Special Court erroneously overlooked the Order passed by the Hon'ble Supreme Court and held that "the said order has no determinative bearing on the present, independent proceeding", that each ECIR is separate, and that there was "no comparable history of proclamation or attachment for evasion" in the case at Kolkata.

XI. It has further been contended that when the same agency prosecutes the same persons on the same transactions and the same material through two zonal offices, the assessment of Article 21, of the likelihood of early trial, and of the necessity of custody, cannot be wholly different merely because the present file carries a different ECIR number. The Supreme Court's consideration of "substantial incarceration" and "absence of any likelihood of an early conclusion of trial" applies with equal to the present case, in which the Prosecution Complaint is of 22.05.2019, charges have not been framed even in 2026, and 19 witnesses with about 1,000 pages of documents are cited.

XII. It has been further contended that the petitioners have undergone an aggregate of approximately 40 months of pre-trial incarceration in proceedings arising out of the same underlying Prayag Group transactions about 20 months in ECIR No. KLZO-I/15/2024 (Kolkata), 16 months in RC No. 35(S)/2014-KOL (CBI), 8 days in Complaint Case No. 28 of 2020 (SFIO) and about 6 months in the present ECIR Case No. 01 of 2019 which is more than one-third of

the maximum sentence of seven years prescribed under section 4 of the PML Act.

XIII. It has been contended that the period of incarceration already undergone by the Petitioners is a relevant circumstance in the context of his right to personal liberty under Article 21 and to treat each ECIR as a watertight silo, so that a person who has already spent about 40 months in custody on the same transactions must begin counting afresh from 11.05.2026, is to convert pre-trial detention into successive punishment by the device of multiple zonal offices of the same agency.

XIV. It has been contended that the Hon'ble Supreme Court in ***Anwar Dhebar v. Directorate of Enforcement, (Crl. Appeal No. 2669 of 2025)*** granted bail even after about 80 days of incarceration where trial was not likely to commence soon.

XV. Similarly, in ***Arvind Walia v. Directorate of Enforcement (SLP (Crl.) No. 2461 of 2026)*** bail was granted to a 65-year-old accused after about 8 months, the prosecution complaint having been filed and the accused having appeared before the ED. In the present case, the Petitioner No. 1 is about 69 years of age.

XVI. That the Ld. Special Court, while considering the first condition under Section 45(1) of the PMLA, principally proceeded on the magnitude of the alleged transactions and the number of investors purportedly affected. The Ld. Court took note of the alleged collection of approximately Rs. 2,862.84 crores from about 38.77 lakh investors, the alleged outstanding amount of approximately

Rs. 1,906.22 crores, the alleged proceeds of crime and the alleged role of the Petitioners, and thereafter relied upon the registration of "several cases of similar nature" against the Petitioners in different States to conclude that it was unable to arrive at the requisite satisfaction that there were reasonable grounds for believing that the Petitioners were not guilty of the offence under Section 3 of the PMLA.

XVII. The rigours of Section 45 of the PMLA cannot eclipse the constitutional mandate of Article 21 and that prolonged pre-trial incarceration cannot be permitted to assume the character of punishment. In ***Manish Sisodia v. Directorate of Enforcement (Supra),*** read with ***V. Senthil Balaji v. Directorate of Enforcement, 2024 SCC OnLine SC 2626***, the Hon'ble Supreme Court has recognized the primacy of the constitutional guarantee of personal liberty in the context of prolonged incarceration.

XVIII. It has been consistently recognized that continued pre-trial detention, particularly where the evidence is predominantly documentary and already in the custody of the investigating agency, cannot be permitted to assume the character of punishment. The Hon'ble Supreme Court has further clarified that even comparatively shorter periods of custody, coupled with the absence of any realistic possibility of an early conclusion of trial, may justify the grant of bail, and that the twin conditions under Section 45 cannot be invoked to legitimize indefinite incarceration and this position has been reiterated by Hon'ble Supreme Court in

Arvind Walia v. Directorate of Enforcement (SLP (Crl.) No. 2461 of 2026).

XIX. That in ***Param Chand Jain v. Enforcement Directorate (SLP (Crl.) No. 17476 of 2024),*** the Hon'ble Supreme Court clarified that ***Manish Sisodia case*** (***supra***) was decided on the principle that Article 21 prevails over the rigours of Section 45 of the PMLA and further held that where the evidence is predominantly documentary and already in the custody of the investigating agency, prolonged incarceration cannot be justified. In the present case, the entire prosecution is founded on documentary evidence which has already been collected by the Respondent and the Petitioners have already undergone substantial incarceration

XX. The Hon'ble Supreme Court in the judgment ***Anwar Dhebar Vs. ED, Cri. Appeal No. 2669 of 2025*** found that even a period of 80 days of incarceration, without the possibility of trial commencing any time soon, would entitle a person to bail.

XXI. That the Ld. Special Court held that the Petitioners "evaded personally appearance for a period of nearly seven years which caused delay in trial" and This characterization is contrary to the record and proceeds on selective reading.

XXII. That the Ld. Special Court erred in relegating the question of such overlap to trial. The Petitioners did not seek a final determination as to the legality of the successive ECIRS or the evidentiary value of the material; rather, the overlap was relied upon as a relevant circumstance for determining the necessity of continued custody

and the Petitioners' right to personal liberty under Article 21. The Ld. Special Court was, therefore, required to consider the same at the stage of bail.

XXIII. It is an admitted position that throughout the investigation conducted in ECIR No. RNSZO/01/2016, present ECIR, the Respondent never found it necessary to arrest the Petitioners. The investigation culminated in the filing of the Prosecution Complaint dated 22.05.2019 before this Hon'ble Court under Sections 44 and 45 of the Prevention of Money-Laundering Act, 2002 without the Petitioners having been taken into custody at any stage.

XXIV. The Petitioners have, at all material times, remained represented through their counsel and have never evaded the process of law. The Petitioners have consistently participated in the connected proceedings pending in other states arising out of the similar transactions concerning the Prayag Group and have appeared before the concerned Courts and investigating authorities on nearly 40 occasions till their arrest on 26.11.2024 despite the spread of Covid 19 Pandemic.

XXV. The Petitioners were arrested and remained in judicial custody in the second ECIR from 26.11.2024, a fact admittedly within the knowledge of the Respondent, the Respondent did not apprise this Hon'ble Court of the said fact. the Petitioners themselves constrained to move an application seeking issuance of a production warrant and informing Ld. Special Court that they were already in judicial custody on 30.03.2026. Had the Learned

Special Court been apprised by the Respondent, at the earliest opportunity, of the fact that the Petitioners were already in judicial custody, the Petitioners could have been produced before the Learned Special Court much earlier. The Respondent's omission resulted delay in securing the Petitioners' production before the Court.

XXVI. Even after being released on bail on 25.07.2018 in RC-35/2014 (the predicate FIR of second ECIR), the petitioners have continued to appear before the concerned Courts and authorities as and when required. The Petitioners further undertake to remain present before Ld. Special Court on each and every date of hearing and to abide by such terms and conditions as this Hon'ble Court may deem fit to impose while granting the benefit of regular bail.

XXVII. It has been contended that the Petitioners have already undergone a substantial period of pre-trial incarceration in proceedings arising out of the same underlying transactions. The Petitioners were arrested by the Respondent on 26.11.2024 in second ECIR No. KLZO-I/15/2024 and remained in judicial custody therein until they were granted regular bail by the Hon'ble Supreme Court on 24.07.2026. However, despite the grant of bail in the said ECIR, the Petitioners continue to remain in judicial custody in the present proceedings.

XXVIII. It has been submitted that prior thereto, the Petitioners had also undergone approximately 16 months of incarceration pursuant to

their arrest on 15.03.2017 in RC No. 35(S)/2014-KOL registered by the Central Bureau of Investigation, besides 8 days of custody undergone by Petitioner No. 1 in Complaint Case No. 28 of 2020 instituted by the Serious Fraud Investigation Office.

XXIX. It has been contended that since the Petitioners have undergone an aggregate period of approximately 40 months of incarceration in proceedings arising out of the same underlying transactions, which is more than one-third of the maximum sentence of seven years prescribed under Section 4 of the Prevention of Money-Laundering Act, 2002.

XXX. That the Petitioners are being repeatedly prosecuted on the basis of the very same material. The present ECIR bearing No. RNSZO/01/2016 was registered on 14.09.2016 on the basis of FIR Nos. RC-8(A)/2015-D, RC-7(A)/2015-D and RC-8(S)/2015-R. However, significantly, even after the lapse of almost 11 years from the alleged transactions and nearly a decade from the registration of the predicate FIRs, no charge-sheet has been filed in any of the said predicate offences.

XXXI. The Prosecution Complaint dated 22.05.2019 filed in the first ECIR does not rely upon any investigation carried out in the aforesaid predicate FIRS. Instead, the entire prosecution is founded upon the charge-sheet/final report dated 11.07.2017 filed by the CBI in RC No. 35(S)/2014-KOL. The allegations concerning the investment schemes, the alleged proceeds of crime,

the quantum allegedly collected, the outstanding liability and the alleged modus operandi are substantially reproduced from the said charge-sheet, without any independent investigation

XXXII. The Respondent thereafter proceeded to register ECIR No. KLZO-1/15/2024 dated 01.08.2024 on the basis of predicate FIR being RC No. 35(S)/2014-KOL, once again on the basis of the very same underlying transactions and substantially the same material. Even the alleged quantum of proceeds of crime and the factual allegations are materially identical.

XXXIII. The second ECIR culminated in the filing of the Prosecution Complaint on 25.01.2025. Significantly, although it has been registered in a different State, it substantially arises out of the very same investigation into the predicate offence, namely RC No. 35(S)/2014-KOL dated 05.06.2014, and relies upon the same set of documents, witnesses, transactions and alleged proceeds of crime. A comparison of the said two Prosecution Complaints demonstrates that the allegations are substantially identical, resulting in overlapping and parallel proceedings initiated by the same authority through different Zonal Offices of the Directorate of Enforcement based on the same alleged criminal activity. The only purported distinction is the enhancement of the alleged proceeds of crime by attributing an additional sum of Rs. 4.20 crore towards the alleged income from Aristo Club, based solely on a statement recorded under Section 50 of the PMLA, without

any independent investigation or fresh incriminating material in the predicate offences forming the basis of the first ECIR.

XXXIV. The aforesaid facts assume significance in the light of the principle laid down by the Hon'ble Supreme Court in ***T.T. Antony v. State of Kerala, (2001) 6 SCC 181,*** that there cannot ordinarily be successive investigations/prosecutions founded on the same occurrence or transaction by repeatedly setting the criminal law in motion. Whether or not the said issue ultimately falls for adjudication at the trial is a matter for the competent Court; however, the fact remains that the Petitioners have been subjected to repeated prosecution and incarceration on substantially the same underlying material.

XXXV. It has been contended that the companies of the Prayag Group were carrying on diversified commercial activities since the year 2002 and were not operating any clandestine or undisclosed business. Initially engaged in the business of FMCG trading, the Group subsequently diversified into hospitality, real estate development, insurance distribution through a corporate agency arrangement, time-share memberships, land booking schemes and, thereafter, an E-Gold business. The business activities were conducted through duly incorporated companies and were undertaken in the ordinary course of commerce. The allegation of the Respondent that the Petitioners were carrying on unauthorized deposit collection activities is a matter of trial and cannot be

viewed in isolation without appreciating the nature of the businesses actually undertaken by the Companies.

XXXVI. The Petitioners had, at all material times, carried on their business with complete transparency and under the knowledge of the concerned statutory authorities. The Companies had regularly made statutory disclosures before the Registrar of Companies, including filings relating to the issuance of redeemable preference shares. The Reserve Bank of India, by communication dated 13.08.2008, clarified that since the Company was not carrying on NBFC business, no permission from the RBI was required. Likewise, the Securities and Exchange Board of India, by communication dated 27.01.2009, clarified that the issuance of redeemable preference shares by an unlisted company did not fall within its regulatory purview. The Ministry of Corporate Affairs/Registrar of Companies, West Bengal, also issued communications dated 01.07.2010 and 14.03.2011 acknowledging the nature of the Company's business activities, including its multi-project ventures and time-share membership business.

XXXVII. It has been contended that the schemes floated by the Companies were essentially product and service-based commercial ventures. The land booking schemes contemplated allotment of developed land or refund at the option of the customer, while the time-share schemes enabled members to avail hospitality services through graded membership plans. Similarly, the E-Gold scheme

contemplated purchase of gold in instalments. None of schemes the aforesaid contemplated payment of returns merely on account of investment or promised abnormal or assured returns akin to a money circulation or Ponzi scheme.

XXXVIII. It has further been contended that the apprehension, if any, regarding dissipation of assets or generation of further proceeds of crime no longer survives. Pursuant to the order dated 02.12.2025 passed by the High Court at Calcutta, the Respondent proceeded to provisionally attach/seize the assets of the Prayag Group of Companies under the provisions of the Prevention of Money-Laundering Act, 2002. The said provisional attachment has thereafter been confirmed by the Adjudicating Authority under Section 8 of the Prevention of Money-Laundering Act, 2002 on dated 21.05.2026.

XXXIX. It has been contended that apart from the assets remaining under the supervision of the Court-appointed One-Man Committee, they also stand secured under the attachment proceedings initiated by the Respondent. The entire case of the Respondent is founded on documentary evidence, which is already in its custody. In these circumstances, there remains no possibility of the Petitioners dissipating assets, generating further proceeds of crime or tampering with the evidence.

XL. The Petitioners have been granted bail in all the connected predicate offences and allied proceedings arising out of the same

set of transactions. The Petitioners have faithfully complied with the conditions of ball imposed by the respective Courts and there is not even a single allegation of misuse of liberty, violation of any bail condition or non-cooperation with the investigating agencies. The Petitioners have remained available to the investigating authorities and have regularly appeared before the concerned Courts as and when required.

XLI. The Petitioners are entitled to the benefit of the settled principle that "bail is the rule and jail is the exception", particularly when their presence during the trial cam be secured by Imposing appropriate conditions.

XLII. Petitioner No. 1 is an aged person and, considering his advanced age, continued incarceration would cause undue hardship and prejudice to his health and overall well-being. The age and attendant circumstances off Petitioner No. 1 constitute an additional ground warranting his release on bail.

XLIII. It has been submitted that the petitioners were not arrested during investigation and Prosecution complaint was without arrest, however the Petitioners were arrested on 11.05.2026 in connection with ECIR Case no. 01 of 2019 dated 14.09.2016 and have been incarcerated since then.

XLIV. That the petitioners have moved before the Court of Learned Special Judge, PMLA, Ranchi for grant of bail, but the same has been rejected vide order dated 28.08.2026 passed in Misc.

Criminal Application No. 1759 of 2026 by the Court of, Learned Special Judge, PMLA, Ranchi, without considering the facts and circumstances of the case as indicated above.

XLV. Further, it has been contended that there is no allegation said to be committed so as to attract the offence under Section 3 of the PML Act since there is no allegation of laundering of money against these petitioners.

15. Learned counsel for the petitioners, based upon the aforesaid grounds, has submitted as per the grounds agitated hereinabove, it is a fit case where the petitioners are to be given the benefit of privilege of bail.

Argument advanced by learned counsel for the opposite party-Enforcement Directorate:

16. Per contra, Mr. Amit Kumar Das, the learned senior counsel for the opposite party-Enforcement Directorate has seriously opposed the said submission/ground both based upon the fact and the law as referred hereinabove, on the following grounds.

I. The submission has been made that the Petitioners' conduct in the proceedings before the learned Special Court is a material consideration while deciding the present application for regular bail. Despite the issuance of summons, non-bailable warrants and proclamation proceedings, the Petitioners did not appear before the learned Special Judge for a prolonged period. Their appearance was ultimately secured only on 11.05.2026, nearly seven years after cognizance had been taken. This history gives rise to a

legitimate apprehension that, if enlarged on bail, they may again fail to remain available to face trial.

II. It has been contended by referring to Section 3 of the PML Act, 2002 that the process or activity connected with proceeds of crime is a continuing activity and continues till such time a person is directly or indirectly enjoying the proceeds of crime by its concealment or possession or acquisition or use or projecting it as untainted property or claiming it as untainted property in any manner whatsoever.

III. The present proceedings arise out of ECIR Case No. 01 of 2019, originating from ECIR No. RNSZO/01/2016 dated 14.09.2016. Cognizance was taken on 22.05.2019. That during the course of investigation summons under Section 50 of the Prevention of Money Laundering Act, 2002 bearing reference ECIR/01/RSZO/2016/143 dated 03.03.2017, requiring appearance on 26.04.2017 together with the relevant documents, were duly issued and served. Another Summon dated 14.05.2019 was also issued against the Applicants/ Accused persons.

IV. It is submitted that the Petitioners applied for exemption from personal appearance under Section 205 of the Code of Criminal Procedure, 1973; the application was rejected on 18.07.2019. Nevertheless, they did not appear before the learned Special Judge. Non-bailable warrants were issued on 13.08.2019, and their application for anticipatory bail was rejected on 03.10.2019.

V. The initial orders under Sections 82 and 83 CrPC were set aside on 24.06.2020 on account of defects and only on technical grounds. The Hon'ble High Court further directed to pass order afresh in accordance with law. A fresh proclamation dated 04.07.2020 called upon the Petitioners to appear on 20.08.2020. Upon consideration of the execution report, the learned Special Judge, by order dated 24.08.2020, recorded that the Petitioners were knowingly absconding to evade the process of the Court and directed the issuance of process under Section 83 CrPC.

VI. Even after the rejection of their application for exemption and the issuance of non-bailable warrants, the Petitioners continued to remain absent. The fresh proclamation also failed to secure their appearance. The Petitioners had challenged the fresh proclamation in Cr.M.P. Nos. 1948 of 2020 and 1736 of 2020; those petitions were withdrawn on 08.04.2026. The prolonged and continued non-appearance, viewed in its entirety, demonstrates that the ordinary process of the Court did not secure their attendance.

VII. It has been contended that the record further indicates that the Petitioners were arrested at Kolkata in another case on 26.11.2024 and respondents applied for a production warrant in the present case only on 30.03.2026 and were produced through video conferencing from custody on 11.05.2026. Therefore, it is pertinent to note here that their appearance in the present proceedings was thus secured through production from custody in

another case, and not by their voluntary appearance in response to the summons or the fresh proclamation issued by the learned Special Judge.

VIII. That the above chronology clearly shows the Petitioners deliberate and continued disregard of the process of the Court. Despite summons, Non-Bailable Warrants and proclamation, the Petitioners failed to appear, and their presence could be secured only upon production from custody in another case. Their conduct has already delayed the proceedings against them for nearly seven years. The apprehension that they may again evade trial is therefore founded upon their own conduct in the present case. In these circumstances, there is a serious and reasonable apprehension that, if released on bail, the Petitioners may again evade the process of the Court, remain unavailable for trial and further obstruct its progress.

IX. It has been contended that in ***Tarun Kumar v. Assistant Director, Directorate of Enforcement, 2023 INSC 1006***, the Hon'ble Supreme Court considered the statutory framework governing bail under the Prevention of Money Laundering Act, 2002 (PMLA), including the mandatory nature of the twin conditions under Section 45. The Respondent relies on the said decision in support of the submission that the statutory requirements under Section 45 must be considered alongside the ordinary factors relevant to bail, including the circumstances bearing upon the accused persons 'availability for trial.

X. It has been conendes the Petitioners cannot claim the benefit of ***Tarsem Lal v. Directorate of Enforcement (supra)***, merely because they were not arrested during investigation. Their subsequent conduct must also be considered. The Petitioners failed to appear despite summons, Non-Bailable Warrants and proclamation, and their presence was ultimately secured through production from custody in another case.

XI. The material collected during investigation discloses a prima facie case of money laundering against the Petitioners. As per the prosecution case, the Petitioners were the principal promoters and controlling minds of the Prayag Group of Companies. The said companies allegedly collected an aggregate amount of Rs. 28,62,84,83,199/- from 38,71,674 investors up to 31.03.2016 through unauthorized deposit schemes. An amount of Rs. 19,06,22,01,316/- allegedly remained outstanding towards investors as on 31.03.2016.

XII. It has been contended that the funds collected from investors were diverted to sister concerns controlled by the Petitioners and that Petitioner No.1 personally received Rs. 76,09,309/- out of the deposits. These figures and alleged transactions are relied upon as part of the material collected during investigation and as bearing on the nature, scale and alleged manner of the transactions under inquiry. The allegations are stated for the limited purpose of the present bail proceedings and remain subject to adjudication in accordance with law.

XIII. It has further been contended that the Section 45 of the PMLA imposes statutory conditions for the grant of bail, in addition to the ordinary considerations governing such applications. In view of the decision in ***Tarun Kumar (supra),*** the twin conditions under Section 45 are required to be addressed in a regular bail application where the provision applies. Having regard to the material relied upon by the prosecution concerning the collection and alleged diversion of investors' funds, the Petitioners alleged roles, and the record of their prolonged non-appearance, the Respondent submits that the requirements for grant of bail have not been satisfied.

XIV. The apprehension that the Petitioners may not remain available to face trial is founded on the history of this very proceeding. The Court was required to resort successively to summons, non-bailable warrants and proclamation proceedings, yet the presence of the Petitioners was not secured for years. Their eventual production from custody in another case does not, by itself, dispel the concern arising from that history and, as such, the risk of further delay and non-appearance is a relevant factor weighing against the grant of bail.

XV. The reliance placed by the Petitioners on the judgments, such as ***Tarsem Lal v. Directorate of Enforcement (supra)*** **and** ***Manish Sisodia v. Directorate of Enforcement (Supra)*** are misplaced in the facts of the present case. The said decisions reinforce the requirement for proper application of mind, existence

of reasons, and communication of grounds, all of which were duly complied with in the present case.

17. Learned counsel for the O.P-Enforcement Directorate, based upon the aforesaid grounds, has submitted that it is not a fit case where the prayer for bail is to be allowed taking into consideration the involvement of the present petitioners in directly acquiring the proceeds of crime.

Discussion:

18. This Court has heard the learned counsel for the parties, gone across the pleading available on record as also the finding recorded by learned trial Court.

19. This Court, before appreciating the argument advanced on behalf of the parties, deems it fit and proper to discuss herein some of the provision of law as contained under the PML Act, 2002 with its object and intent.

20. The Act was enacted to address the urgent need to have a comprehensive legislation *inter alia* for preventing money-laundering, attachment of proceeds of crime, adjudication and confiscation thereof including vesting of it in the Central Government, setting up of agencies and mechanisms for coordinating measures for combating money-laundering and also to prosecute the persons indulging in the process or activity connected with the proceeds of crime.

21. It is evident that the PML Act, 2002 was enacted in order to answer the urgent requirement to have a comprehensive legislation *inter alia* for preventing money-laundering, attachment of proceeds of crime, adjudication and confiscation thereof for combating money-laundering and

also to prosecute the persons indulging in the process or activity connected with the proceeds of crime.

22. It is evident from the definition of “proceeds of crime” as provided under Section 2(1)(u) of the Act, 2002 that “proceeds of crime” means any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence or the value of any such property or where such property is taken or held outside the country, then the property equivalent in value held within the country or abroad.

23. In the explanation part of the aforesaid section, it has been referred that for the removal of doubts, it is hereby clarified that "proceeds of crime" include property not only derived or obtained from the scheduled offence but also any property which may directly or indirectly be derived or obtained as a result of any criminal activity relatable to the scheduled offence.

24. It is, thus, evident that the reason for giving explanation under Section 2(1)(u) is by way of clarification to the effect that whether as per the substantive provision of Section 2(1)(u), the property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence or the value of any such property or where such property is taken or held outside the country but by way of explanation the proceeds of crime has been given broader implication by including property not only derived or obtained from the scheduled offence but also any property which may directly or indirectly be derived or

obtained as a result of any criminal activity relatable to the scheduled offence.

25. The "property" has been defined under Section 2(1)(v) which means any property or assets of every description, whether corporeal or incorporeal, movable or immovable, tangible or intangible and includes deeds and instruments evidencing title to, or interest in, such property or assets, wherever located.

26. The schedule has been defined under Section 2(1)(x) which means schedule to the Prevention of Money Laundering Act, 2002.

27. It is evident that the "scheduled offence" means the offences specified under Part A of the Schedule; or the offences specified under Part B of the Schedule if the total value involved in such offences is [one crore rupees] or more; or the offences specified under Part C of the Schedule.

28. The offence of money laundering has been defined under Section 3 of the PML Act, 2002 wherein it has been stipulated that whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the [proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming] it as untainted property shall be guilty of offence of money-laundering.

29. It is further evident from the aforesaid provision that "offence of money-laundering" means whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the proceeds of crime including

its concealment, possession, acquisition or use and projecting or claiming it as untainted property shall be guilty of offence of money-laundering.

30. It is further evident that the process or activity connected with proceeds of crime is a continuing activity and continues till such time a person is directly or indirectly enjoying the proceeds of crime by its concealment or possession or acquisition or use or projecting it as untainted property or claiming it as untainted property in any manner whatsoever.

31. The punishment for money laundering has been provided under Section 4 of the PML Act, 2002.

32. Further, Section 50 of the PML Act, 2002 confers power upon the authorities regarding summons, production of documents and to give evidence.

33. It needs to refer herein that the various provisions of the Act, 2002 alongwith interpretation of the definition of "***proceeds of crime***" has been dealt with by the Hon'ble Apex Court in the case of ***Vijay Madanlal Choudhary and Ors. Vs. Union of India and Ors., (supra)*** wherein the Bench comprising of Three Hon'ble Judges of the Hon'ble Supreme Court have decided the issue by taking into consideration the object and intent of the Act, 2002, as would appear from paragraph 128, 129 and 130. For ready reference, relevant paragraph is being referred as under:

> *"**128**. To put it differently, the section as it stood prior to 2019 had itself incorporated the expression "including", which is indicative of reference made to the different process or activity connected with the proceeds of crime. Thus, the principal provision (as also the Explanation) predicates that if a person is found to be directly or indirectly involved in any process or activity connected with the proceeds of crime must be held guilty of offence of money laundering. If the interpretation set forth by the petitioners was to be accepted, it would follow that it is only upon*

projecting or claiming the property in question as untainted property, the offence would be complete. This would undermine the efficacy of the legislative intent behind Section 3 of the Act and also will be in disregard of the view expressed by the FATF in connection with the occurrence of the word "and" preceding the expression "projecting or claiming" therein.

129.This Court in Pratap Singh v. State of Jharkhand, enunciated that the international treaties, covenants and conventions although may not be a part of municipal law, the same be referred to and followed by the Courts having regard to the fact that India is a party to the said treaties. This Court went on to observe that the Constitution of India and other ongoing statutes have been read consistently with the rules of international law. It is also observed that the Constitution of India and the enactments made by Parliament must necessarily be understood in the context of the present-day scenario and having regard to the international treaties and convention as our constitution takes note of the institutions of the world community which had been created.

130.In Apparel Export Promotion Council v. A.K. Chopra, the Court observed that domestic Courts are under an obligation to give due regard to the international conventions and norms for construing the domestic laws, more so, when there is no inconsistency between them and there is a void in domestic law. This view has been restated in Githa Hariharan, as also in People's Union for Civil Liberties, and National Legal Services Authority v. Union of India."

34. The implication of Section 50 has also been taken into consideration. Relevant paragraph, i.e., paragraphs-327 to 332, 338, 339, 342 are quoted as under:

*"**327**. The validity of this provision has been challenged on the ground of being violative of Articles 20(3) and 21 of the Constitution. For, it allows the authorised officer under the 2002 Act to summon any person and record his statement during the course of investigation. Further, the provision mandates that the person should disclose true and correct facts known to his personal knowledge in connection with the subject matter of investigation. The person is also obliged to sign the statement so given with the threat of being punished for the falsity or incorrectness thereof in terms of Section 63 of the 2002 Act. Before we proceed to analyse the*

matter further, it is apposite to reproduce Section 50 of the 2002 Act, as amended. -----:

***330**. By this provision, the Director has been empowered to exercise the same powers as are vested in a civil Court under the 1908 Code while trying a suit in respect of matters specified in sub-section (1). This is in reference to Section 13 of the 2002 Act dealing with powers of Director to impose fine in respect of acts of commission and omission by the banking companies, financial institutions and intermediaries. From the setting in which Section 50 has been placed and the expanse of empowering the Director with same powers as are vested in a civil Court for the purposes of imposing fine under Section 13, is obviously very specific and not otherwise.*

***331**. Indeed, sub-section (2) of Section 50 enables the Director, Additional Director, Joint Director, Deputy Director or Assistant Director to issue summon to any person whose attendance he considers necessary for giving evidence or to produce any records during the course of any investigation or proceeding under this Act. We have already highlighted the width of expression "proceeding" in the earlier part of this judgment and held that it applies to proceeding before the Adjudicating Authority or the Special Court, as the case may be. Nevertheless, sub-section (2) empowers the authorised officials to issue summon to any person. We fail to understand as to how Article 20(3) would come into play in respect of process of recording statement pursuant to such summon which is only for the purpose of collecting information or evidence in respect of proceeding under this Act. Indeed, the person so summoned, is bound to attend in person or through authorised agent and to state truth upon any subject concerning which he is being examined or is expected to make statement and produce documents as may be required by virtue of sub-section (3) of Section 50 of the 2002 Act. The criticism is essentially because of subsection (4) which provides that every proceeding under sub-sections (2) and (3) shall be deemed to be a judicial proceeding within the meaning of Sections 193 and 228 of the IPC. Even so, the fact remains that Article 20(3) or for that matter Section 25 of the Evidence Act, would come into play only when the person so summoned is an accused of any offence at the relevant time and is being compelled to be a witness against himself. This position is well-established.*

***332**.The Constitution Bench of this Court in M.P. Sharma had dealt with a similar challenge wherein warrants to obtain documents required for investigation were issued by the Magistrate being violative of Article 20(3)*

of the Constitution. This Court opined that the guarantee in Article 20(3) is against "testimonial compulsion" and is not limited to oral evidence. Not only that, it gets triggered if the person is compelled to be a witness against himself, which may not happen merely because of issuance of summons for giving oral evidence or producing documents. Further, to be a witness is nothing more than to furnish evidence and such evidence can be furnished by different modes. The Court went on to observe as follows: "Broadly stated the guarantee in article 20(3) is against "testimonial compulsion". It is suggested that this is confined to the oral evidence of a person standing his trial for an offence when called to the witness-stand. We can see no reason to confine the content of the constitutional guarantee to this barely literal import. So to limit it would be to rob the guarantee of its substantial purpose and to miss the substance for the sound as stated in certain American decisions. The phrase used in Article 20(3) is "to be a witness". A person can "be a witness" not merely by giving oral evidence but also by producing documents or making intelligible gestures as in the case of a dumb witness (See section 119 of the Evidence Act) or the like. "To be a witness" is nothing more than "to furnish evidence", and such evidence can be furnished through the lips or by production of a thing or of a document or in other modes. So far as production of documents is concerned, no doubt Section 139 of the Evidence Act says that a person producing a document on summons is not a witness. But that section is meant to regulate the right of cross examination. It is not a guide to the connotation of the word "witness", which must be understood in its natural sense, i.e., as referring to a person who furnishes evidence. Indeed, every positive volitional act which furnishes evidence is testimony, and testimonial compulsion connotes coercion which procures the positive volitional evidentiary acts of the person, as opposed to the negative attitude of silence or submission on his part. Nor is there any reason to think that the protection in respect of the evidence so procured is confined to what transpires at the trial in the court room. The phrase used in article 20(3) is "to be a witness" and not to "appear as a witness". It follows that the protection afforded to an accused in so far as it is related to the phrase "to be a witness" is not merely in respect of testimonial compulsion in the court room but may well extend to compelled testimony previously obtained from him. It is available therefore to a person against whom a formal accusation relating to the commission of an offence has been levelled which in the normal course may result in prosecution. Whether it is available to other persons

in other situations does not call for decision in this case." (emphasis supplied)

***338**. In the context of the 2002 Act, it must be remembered that the summon is issued by the Authority under Section 50 in connection with the inquiry regarding proceeds of crime which may have been attached and pending adjudication before the Adjudicating Authority. In respect of such action, the designated officials have been empowered to summon any person for collection of information and evidence to be presented before the Adjudicating Authority. It is not necessarily for initiating a prosecution against the noticee as such. The power entrusted to the designated officials under this Act, though couched as investigation in real sense, is to undertake inquiry to ascertain relevant facts to facilitate initiation of or pursuing with an action regarding proceeds of crime, if the situation so warrants and for being presented before the Adjudicating Authority. It is a different matter that the information and evidence so collated during the inquiry made, may disclose commission of offence of money-laundering and the involvement of the person, who has been summoned for making disclosures pursuant to the summons issued by the Authority. At this stage, there would be no formal document indicative of likelihood of involvement of such person as an accused of offence of money laundering. If the statement made by him reveals the offence of money laundering or the existence of proceeds of crime, that becomes actionable under the Act itself.*

***339**.To put it differently, at the stage of recording of statement for the purpose of inquiring into the relevant facts in connection with the property being proceeds of crime is, in that sense, not an investigation for prosecution as such; and in any case, there would be no formal accusation against the noticee. Such summons can be issued even to witnesses in the inquiry so conducted by the authorised officials. However, after further inquiry on the basis of other material and evidence, the involvement of such person (noticee) is revealed, the authorised officials can certainly proceed against him for his acts of commission or omission. In such a situation, at the stage of issue of summons, the person cannot claim protection under Article 20(3) of the Constitution. However, if his/her statement is recorded after a formal arrest by the ED official, the consequences of Article 20(3) or Section 25 of the Evidence Act may come into play to urge that the same being in the nature of confession, shall not be proved against him. Further, it would not preclude the prosecution from proceeding against such a person including for consequences under*

Section 63 of the 2002 Act on the basis of other tangible material to indicate the falsity of his claim. That would be a matter of rule of evidence.

***342**. It is, thus, clear that the power invested in the officials is one for conducting inquiry into the matters relevant for ascertaining existence of proceeds of crime and the involvement of persons in the process or activity connected therewith so as to initiate appropriate action against such person including of seizure, attachment and confiscation of the property eventually vesting in the Central Government*."

35. It is evident from the observation so made, as above, that the purposes and objects of the 2002 Act for which it has been enacted, is not limited to punishment for offence of money-laundering, but also to provide measures for prevention of money-laundering. It is also to provide for attachment of proceeds of crime, which are likely to be concealed, transferred or dealt with in any manner which may result in frustrating any proceeding relating to confiscation of such proceeds under the 2002 Act. This Act is also to compel the banking companies, financial institutions and intermediaries to maintain records of the transactions, to furnish information of such transactions within the prescribed time in terms of Chapter IV of the 2002 Act.

36. The predicate offence has been considered in the aforesaid judgment wherein by taking into consideration the explanation as inserted by way of Act 23 of 2019 under the definition of the "proceeds of crime" as contained under Section 2(1)(u), whereby and whereunder, it has been clarified for the purpose of removal of doubts that, the "proceeds of crime" include property not only derived or obtained from the scheduled offence but also any property which may directly or indirectly be derived or obtained as a result of any criminal activity

relatable to the scheduled offence, meaning thereby, the words “any property which may directly or indirectly be derived or obtained as a result of any criminal activity relatable to the scheduled offence” will come under the fold of the proceeds of crime.

37. So far as the purport of Section 45(1)(i)(ii) is concerned, the aforesaid provision starts from the *non-obstante* clause that notwithstanding anything contained in the Code of Criminal Procedure, 1973, 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.*

38. Sub-section (2) thereof puts limitation on granting bail specific in subsection (1) in addition to the limitations under the Code of Criminal Procedure, 1973 or any other law for the time being in force on granting of bail.

39. The explanation is also there as under sub-section (2) thereof which is for the purpose of removal of doubts. A clarification has been inserted that the expression "Offences to be cognizable and non-bailable" shall mean and shall be deemed to have always meant that all offences under this Act shall be cognizable offences and non-bailable offences notwithstanding anything to the contrary contained in the Code of Criminal Procedure, 1973, and accordingly the officers authorised under this Act are empowered to arrest an accused without warrant,

subject to the fulfilment of conditions under section 19 and subject to the conditions enshrined under this section.

40. The fact about the implication of Section 45 has been interpreted by the Hon'ble Apex Court in ***Vijay Madanlal Choudhary and Ors. Vs. Union of India and Ors****.(supra)* at paragraphs-268-270. For ready reference, the said paragraphs are being referred as under:

> *"268. Section 45 has been amended vide Act 20 of 2005, Act 13 of 2018 and Finance (No. 2) Act, 2019. The provision as it obtained prior to 23.11.2017 read somewhat differently. The constitutional validity of Sub-section (1) of Section 45, as it stood then, was considered in Nikesh Tarachand Shah. This Court declared Section 45(1) of the 2002 Act, as it stood then, insofar as it imposed two further conditions for release on bail, to be unconstitutional being violative of Articles 14 and 21 of the Constitution. The two conditions which have been mentioned as twin conditions are: (i) that there are reasonable grounds for believing that he is not guilty of such offence; and (ii) that he is not likely to commit any offence while on bail.*
>
> *269. According to the petitioners, since the twin conditions have been declared to be void and unconstitutional by this Court, the same stood obliterated. To buttress this argument, reliance has been placed on the dictum in State of Manipur.*
>
> *270. The first issue to be answered by us is: whether the twin conditions, in law, continued to remain on the statute book post decision of this Court in Nikesh Tarachand Shah and if yes, in view of the amendment effected to Section 45(1) of the 2002 Act vide Act 13 of 2018, the declaration by this Court will be of no consequence. This argument need not detain us for long. We say so because the observation in State of Manipur in paragraph 29 of the judgment that owing to the declaration by a Court that the statute is unconstitutional obliterates the statute entirely as though it had never been passed, is contextual. In this case, the Court was dealing with the efficacy of the repealing Act. While doing so, the Court had adverted to the repealing Act and made the stated observation in the context of lack of legislative power. In the process of reasoning, it did advert to the exposition in BehramKhurshidPesikaka and Deep Chand including American jurisprudence expounded in Cooley on Constitutional Limitations and Norton v. Shelby County."*

41. Subsequently, the Hon'ble Apex Court in the case of ***Tarun Kumar vs. Assistant Director Directorate of Enforcement, (2023) SCC OnLine SC 1486*** by taking into consideration the law laid down by the Larger Bench of the Hon'ble Apex Court in ***Vijay Madanlal Choudhary and Ors. Vs. Union of India and Ors****.(supra),* has laid down that the Court is required to be satisfied that there are reasonable grounds for believing that the accused is not guilty of such offence and he is not likely to commit any offence while on bail. It has further been observed that as per the statutory presumption permitted under Section 24 of the Act, the Court or the Authority is entitled to presume unless the contrary is proved, that in any proceedings relating to proceeds of crime under the Act, in the case of a person charged with the offence of money laundering under Section 3, such proceeds of crime are involved in money laundering. Such conditions enumerated in Section 45 of PML Act will have to be complied with even in respect of an application for bail made under Section 439 Cr. P.C. in view of the overriding effect given to the PML Act over the other law for the time being in force, under Section 71 of the PML Act.

42. The Hon'ble Apex Court in the said judgment has further laid down that the twin conditions as to fulfil the requirement of Section 45 of the Act, 2002 before granting the benefit of bail is to be adhered to which has been dealt with by the Hon'ble Apex Court in ***Vijay Madanlal Choudhary and Ors. Vs. Union of India and Ors****. (supra)* wherein it has been observed that the accused is not guilty of the offence and is not likely to commit any offence while on bail.

43. In the judgment rendered by the Hon'ble Apex Court in ***Vijay Madanlal Choudhary and Ors. Vs. Union of India and Ors.****(supra)*, it has been held that the Authority under the 2002 Act, is to prosecute a person for offence of money-laundering only if it has reason to believe, which is required to be recorded in writing that the person is in possession of "proceeds of crime". Only if that belief is further supported by tangible and credible evidence indicative of involvement of the person concerned in any process or activity connected with the proceeds of crime, action under the Act can be taken to forward for attachment and confiscation of proceeds of crime and until vesting thereof in the Central Government, such process initiated would be a standalone process.

44. So far as the issue of grant of bail under Section 45 of the Act, 2002 is concerned, at paragraph-412 of the judgment rendered in ***Vijay Madanlal Choudhary and Ors. Vs. Union of India and Ors. (supra)*** it has been held therein by making observation that whatever form the relief is couched including the nature of proceedings, be it under Section 438 of the 1973 Code or for that matter, by invoking the jurisdiction of the Constitutional Court, the underlying principles and rigors of Section 45 of the 2002 must come into play and without exception ought to be reckoned to uphold the objectives of the 2002 Act, which is a special legislation providing for stringent regulatory measures for combating the menace of money-laundering.

45. The Hon'ble Apex Court in the case of ***Gautam Kundu vs. Directorate of Enforcement (Prevention of Money-Laundering Act),***

Government of India through Manoj Kumar, Assistant Director, Eastern Region, (2015) 16 SCC 1 has been pleased to hold at paragraph - 30 that the conditions specified under Section 45 of PML Act, 2002 are mandatory and need to be complied with, which is further strengthened by the provisions of Section 65 and also Section 71 of PML Act, 2002. Section 65 requires that the provisions of Cr.P.C shall apply insofar as they are not inconsistent with the provisions of this Act and Section 71 provides that the provisions of PML Act, 2002 shall have overriding effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force. PML Act, 2002 has an overriding effect and the provisions of CrPC would apply only if they are not inconsistent with the provisions of this Act.

46. Therefore, the conditions enumerated in Section 45 of PML Act, 2002 will have to be complied with even in respect of an application for bail made under Section 439 CrPC. That coupled with the provisions of Section 24 provides that unless the contrary is proved, the authority or the Court shall presume that proceeds of crime are involved in money-laundering and the burden to prove that the proceeds of crime are not involved, lies on the appellant.

47. In the backdrop of the aforesaid legal provisions and settled law this court is now adverting to merit of the case.

48. As per the material available on record, the prosecution case, in brief, is that pursuant to the order dated 11.05.2015 passed by this Hon'ble Court in W.P. (PIL) No. 1635 of 2014, the Central Bureau of Investigation (CBI) registered two FIRs bearing Nos. RC 8(A)/2015-D

and RC 7(A)/2015-D, both dated 30.06.2015 at Dhanbad, and one FIR bearing No. RC 8(S)/2015-R dated 30.06.2015 at Ranchi against thirty-three companies, their directors/promoters and other persons. The allegations, inter alia, were that the said entities had mobilized funds from a large number of investors through various investment schemes by inducing them with assurances of lucrative returns, thereby allegedly committing offences punishable under Sections 120-B and 420 of the Indian Penal Code and other allied offences.

49. On the basis of the aforesaid predicate offences, the Directorate of Enforcement, Ranchi Sub-Zonal Office, registered Enforcement Case Information Report (ECIR) No. RNSZO/01/2016 dated 14.09.2016 under the provisions of the Prevention of Money Laundering Act, 2002 (hereinafter referred to as the "present ECIR"), for investigation into the alleged offence of money laundering arising out of the scheduled offences.

50. Upon completion of investigation in the aforesaid ECIR, the Directorate of Enforcement instituted a Prosecution Complaint dated 22.05.2019 before the learned Special Court under Sections 44 and 45 of the Prevention of Money Laundering Act, 2002 alleging commission of offences under Section 3 read with Section 70, punishable under Section 4 of the said Act. In the said complaint, it was alleged, inter alia, that M/s Prayag Infotech Hi-Rise Ltd. and M/s Prayag Infotech Network Pvt. Ltd. had collected an aggregate sum of approximately Rs. 2,862.84 crores from about 38.71 lakh investors. It was further alleged that out of the aforesaid amount, approximately Rs. 1,140.26 crores had been repaid to

nearly 10.02 lakh investors, leaving an alleged outstanding liability of approximately Rs. 1,906.22 crores as on 31.03.2016.

51. Upon presentation of the aforesaid Prosecution Complaint, the learned Special Court, vide order dated 22.05.2019 passed in ECIR Case No. 1 of 2019, had taken cognizance of the offences punishable under Sections 3 and 4 read with Section 70 of the Prevention of Money Laundering Act, 2002 and issued summons to the Petitioners for their appearance.

52. Pursuant thereto, the Petitioners entered appearance through learned counsel and filed an application under Section 205 of the Code of Criminal Procedure seeking exemption from personal appearance. The said application came to be rejected vide order dated 18.07.2019. Thereafter, the learned Special Court, by order dated 13.08.2019, proceeded to issue Non-Bailable Warrants of Arrest against the Petitioners.

53. Aggrieved by the issuance of coercive process, the Petitioners preferred Anticipatory Bail Application No. 1793 of 2019 before the learned Special Court, Ranchi, which came to be rejected on 03.10.2019.Thereafter, proceedings under Sections 82 and 83 of the Code of Criminal Procedure were initiated against the Petitioners vide orders dated 05.11.2019 and 06.01.2020 respectively.

54. The Petitioners, being aggrieved by the aforesaid orders, approached this Court by filing Cr.M.P. No. 57 of 2020. This Court, vide order dated 24.06.2020, was pleased to set aside and quash the proceedings initiated under Sections 82 and 83 of the Code of Criminal Procedure against the Petitioners. Subsequently, on 30.03.2026, the

Petitioners filed an application before the learned Special Court, Ranchi, praying for issuance of a production warrant and bringing to the notice of the Court that they were already in judicial custody in connection with another ECIR registered at Kolkata.

55. Thereafter, the Petitioners filed an application seeking recall of the coercive processes issued against them and for their release on bond in exercise of powers under Section 88 read with Section 170 of the Code of Criminal Procedure. The said application, however, came to be rejected vide order dated 11.05.2026, though liberty was granted to the Petitioners to move an application for regular bail. Consequent upon the rejection of the said application, custody warrants were issued and the Petitioners were remanded to judicial custody.

56. Being aggrieved by their continued detention, the Petitioners have preferred the present application seeking their enlargement on regular bail.

57. In the backdrop of the aforesaid factual aspect and settled proposition of law this Court is now coming to the grounds as has been raised on behalf of the learned counsel for the petitioners.

58. Admittedly Petitioners were not arrested during the period of investigation from 14.9.20216 to 22.5.2019 and the, prosecution complaint was filed on 22.05.2019.

59. It is admitted case that the Hon'ble Apex Court has already granted bail to the Petitioners vide order dated 24.07.2026 in respect of the Second ECIR, being ECIR No. KLZO-1/15/2024, which is founded on identical allegations arising from the same underlying transactions as

the present ECIR, for ready reference the order dated 24.07.2026 is being quoted herein which reads as under:

1. The petitioners are incarcerated in connection with ML Case No. 10 of 2024 (arising out of ECIR/KLZO-I/15/2024). Their application for regular bail stands rejected by the High Court of Calcutta vide order dated 15th January, 2026 and hence, the instant special leave petition.

2. We Siddharth have heard Aggarwal, Mr. learned senior counsel appearing for the petitioners and Mr. Suryaprakash V. Raju, learned Additional Solicitor General appearing for the respondent and have perused the material available on record.

3. The ECIR leading to ML Case No. 10 of 2024 has been registered against the petitioners for the offences punishable under Sections 3 and 4 of the Prevention of Money Laundering Act, alleged 2002. transactions, The alleged transactions, which form the basis of the present ECIR, relate to the period 2013-2014. Broadly, allegations against the petitioners are of siphoning and diversion of investors' funds collected through the Prayag Group investment schemes, which came under investigation pursuant to the Saradha Chit Fund Scam in the State of West Bengal.

4. It is not in dispute several FIRs registered with the were local police in relation to the chit fund cases. Vide order dated 9th May, 2014, this Court transferred the investigation in such matters to the CBI, which registered regular cases and arrested the petitioners. These cases were registered in relation to the transactions which took place in the State of Orissa. Eventually, after having undergone incarceration for a significant period of time, the petitioners were released on bail.

5. The high Courts of Jharkhand High and Assam also directed transfer of similar FIRs registered in those respective States to the CBI. The petitioners were also arrested in the CBI case in Assam in which too, they have been reportedly granted bail. However, in the Jharkhand CBI case, till. date, petitioners have not been arrested.

6 Pursuant to registration of the ECIR in question on 1st August, 2024, the petitioners were arrested on 26th November, 2024 and have remained incarcerated since then. A prosecution complaint arising out of the ECIR, citing 29 witnesses and numerous documents running into several thousand pages was filed on 25th January, 2025. However, till date, charges have not been framed.

7. Shri Aggarwal, learned senior counsel appearing for the petitioners, submits that the petitioners have undergone incarceration for approximately 33 months in connection with multiple FIRs, including more than 16 months in connection with the present ECIR. It is urged that incarceration repeated in FIRs registered for similar set of allegations tantamounts to double jeopardy and hence, the petitioners deserve to be released on bail during the pendency of trial.

8. Shri Raju has vehemently opposed the submissions advanced by learned counsel for the petitioners. He urged that even after being released on bail in the other cases, the petitioners continued to indulge in incidents of money laundering and hence, they do not deserve the indulgence of bail. However, on a pertinent query being put, Shri Raju was not in a position to dispute the fact that the alleged incidents of money laundering attributed to the petitioners in the present ECIR relate to transactions which are almost 8 to 10 years old.

9. In this background and considering the fact that the petitioners have suffered incarceration in already significant connection with the

predicate offences, which took place way back in the year 2013-2014 and further considering the fact that there is no likelihood of an early conclusion of the trial in the present case, we are inclined to enlarge the petitioners on bail.

10. Accordingly, we direct the petitioners be released on bail, on such terms and conditions as may be imposed by the trial Court, in connection with ML Case No. 10 of 2024 arising out of ECIR/KLZO-I/15/2024 dated 1st August, 2024.

11. It is provided that the petitioners shall deposit their passports with the trial Court and shall not leave the country during the pendency of the trial without the prior permission of the trial Court.

12. The petitioners shall continue to cooperate in the trial and, in the event, the trial Court or the respondent finds that the petitioners are delaying the conclusion of trial, it will be open for them to apprise this Court of the same for appropriate orders.

13. The petition special and leave pending applications are disposed of accordingly."

60. From the aforesaid order, it is evident that the Hon'ble Supreme Court has taken into consideration that the allegations in the ECIR pertained to transactions of the years 2013-2014, that the petitioners had already undergone substantial periods of incarceration in connection with the predicate offences and allied proceedings, and that the prosecution complaint cited numerous witnesses and voluminous documents with no immediate likelihood of conclusion of the trial, was pleased to hold that continued detention of the petitioners was not warranted. The Hon’ble Apex Court further noted that the petitioners had remained in custody for a considerable period in the present ECIR and that the alleged transactions were nearly eight to ten years old. In the absence of any

reasonable prospect of early conclusion of the trial, the Court exercised its discretion in favour of the petitioners and directed their release on bail, subject to such terms and conditions as may be imposed by the Trial Court.

61. It appears from the aforesaid order that while granting bail, the Hon'ble Supreme Court also took into consideration the overall period of pre-trial incarceration of almost 40 months, which had exceeded one-third of the maximum punishment prescribed under the PMLA.

62. Further it is admitted fact that the Petitioners have been granted bail in other matters wherein similar accusation has been levelled against them, and further there is no allegation of non-compliance of bail conditions by the petitioners.

63. It is further admitted fact that all the properties and assets forming the subject matter of the present proceedings have already been attached by the Enforcement Directorate, Kolkata and such attachment have also been confirmed by the learned Adjudicating Authority under the provisions of the Prevention of Money Laundering Act, 2002. Consequently, there remains no reasonable apprehension that the said properties or assets may be disposed of, alienated, encumbered, or otherwise dealt with in any manner prejudicial to the proceedings during their pendency.

64. It is admitted fact that Prosecution Complaint is of 22.05.2019, but charges have not been framed till date, and in prosecution complaint 19 witnesses with about 1,000 pages of documents are cited.

65. Admittedly the petitioners have undergone an aggregate of approximately 36 months of pre-trial incarceration in proceedings arising out of the same underlying Prayag Group transactions about 20 months in ECIR No. KLZO-I/15/2024 (Kolkata), 16 months in RC No. 35(S)/2014-KOL (CBI), 8 days in Complaint Case No. 28 of 2020 (SFIO) and about 6 months in the present ECIR Case No. 01 of 2019.

66. Further, the Prosecution Complaint dated 22.05.2019 in the present ECIR does not rest on any investigation in the Jharkhand predicate FIRS (RC 8(A)/2015-D, RC 7(A)/2015-D and RC 8(S)/2015-R), in which, eve n after nearly eleven years, no charge-sheet has been filed.

67. In the backdrop of the aforesaid admitted factual aspect it needs to refer herein that the Hon'ble Supreme Court in the case of ***Anwar Dhebar v. Directorate of Enforcement, 2025 SCC OnLine SC 3124*** granted bail to the petitioner even after about 80 days of incarceration where trial was not likely to commence soon, for ready reference the relevant paragraph of the aforesaid case is being referred herein which reads as under:

> ***3.*** *In connection with the earlier ECIR concerning the same subject-matter, the appellant has been in custody for 80 days. As far as the present ECIR and complaints are concerned, the appellant was arrested on 8th August, 2024. So far 03 supplementary complaints have been filed in addition to the original complaint. 40 witnesses have been cited. The investigation is in progress. In the predicate offence, there are 450 witnesses and the investigation is in progress. Cognizance has not been taken.*
>
> ***4.*** *Therefore, there is no possibility of the trial commencing in near future. The maximum sentence is of 07 years. Following the law laid down by this Court in the case of V. Senthil Balaji v. The Deputy*

> *Director, Directorate of Enforcement*[1]*, the appellant is entitled to be enlarged on bail pending the trial on appropriate stringent terms and conditions especially when, except for the predicate offence, there are no antecedents of the appellant brought on record.*
>
> ***5.*** *Hence, we direct that the appellant shall be produced before the Special Court within a maximum period of one week from today. The Special Court shall enlarge the appellant on bail on appropriate stringent terms and conditions after hearing the learned counsel for the Enforcement of Directorate. Apart from the conditions which may be imposed by the Special Court, there shall be a condition for surrender of passport, if any, and the condition of regularly and punctually attending the Special Court and cooperating with the Special Court for early conclusion of the trial.*

68. Similarly, in the case of ***Arvind Walia v. Directorate of Enforcement 2026 SCC OnLine SC 1916*****,** the Hon'ble Apex Court granted bail to a 65-year-old accused after about 8 months of the prosecution complaint having been filed. In the said case after four years of registration of the ECIR, the appellant was arrested from his residence on 21-7-2025. Soon after, on 18-9-2025 to be precise, the ED filed prosecution complaint under Sections 44 and 45 of PMLA, 2002 against, *inter alia*, the appellant, alleging commission of offences under Sections 3 and 4 thereof. The Hon'ble Apex Court in background of the aforesaid factual aspect has categorically observed that *prosecution complaint has already been filed by the ED and that the appellant (aged 65 years) has been in custody for over 8 months. We have also taken note of the fact that the appellant, prior to his arrest, physically appeared before the ED on five occasions. Presently, there seems to be no necessity to continue him in custody. What remains for consideration is the restrictions imposed by Section 45 of the PMLA, 2002.*For ready reference the relevant paragraph is being quoted herein which reads as under:

> ***"7.*** *We have taken note of the fact that prosecution complaint has already been filed by the ED and that the appellant (aged 65 years) has been in custody for over 8 months. We have also taken note of the fact that the appellant, prior to his arrest, physically appeared before the ED on five occasions. Presently, there seems to be no necessity to continue him in custody. What remains for consideration is the restrictions imposed by Section 45 of the PMLA, 2002.*
>
> ***8.*** *Section 45 of the PMLA, 2002 cannot be interpreted to justify indefinite detention. In appropriate cases, the Constitutional Courts must intervene and have, in fact, intervened in the past to safeguard the right to personal liberty of the accused under Article 21. The twin conditions under Section 45 cannot override the constitutional safeguards under Article 21 of the Constitution (see: Manish Sisodia v. Enforcement Directorate, 2024 SCC OnLine SC 1920). Applying this principle, this Court has granted bail in appropriate cases irrespective of the period of custody*[4]*.*
>
> ***9.*** *In view of the above, we are of the considered opinion that further detention of the appellant pending trial is not necessary. The appeal, thus, deserves acceptance and the appellant may be admitted to an order for grant of bail."*

69. At this juncture it needs to refer herein the settled proposition of law that the rigours engrafted under Section 45 of the Prevention of Money Laundering Act, 2002 cannot be construed in a manner so as to eclipse or dilute the constitutional guarantee of personal liberty enshrined under Article 21 of the Constitution of India.

70. The Hon'ble Supreme Court, in ***Manish Sisodia v. Directorate of Enforcement, 2024 SCC OnLine SC 1920,*** read in conjunction with ***V. Senthil Balaji v. Directorate of Enforcement, 2024 SCC OnLine SC 2626,*** has reiterated that where an accused has undergone prolonged pre-trial incarceration and the likelihood of conclusion of trial within a reasonable time remains remote, the constitutional courts are duty-bound to uphold the mandate of Article 21. The Court has further emphasised

that continued detention pending trial cannot be permitted to assume the character of a punitive measure, for punishment can follow only upon conviction in accordance with law and not by reason of inordinate delay in the adjudicatory process. The Hon'ble Supreme Court has further clarified that even comparatively shorter periods of custody, coupled with the absence of any realistic possibility of an early conclusion of trial, may justify the grant of bail, and that the twin conditions under Section 45 cannot be invoked to legitimise indefinite incarceration.

71. In the case of ***Padam Chand Jain v. Enforcement Directorate (SLP (Crl.) No. 17476 of 2024),*** the Hon'ble Supreme Court clarified that case of ***Manish Sisodia (supra)*** was decided on the principle that Article 21 prevails over the rigours of Section 45 of the PMLA and further held that where the evidence is predominantly documentary and already in the custody of the investigating agency, prolonged incarceration cannot be justified. For ready reference the relevant paragraph of the aforesaid case is being quoted herein which reads as under:

> *6. Learned Single Judge of the High Court, while considering the law laid down by this Court in* ***Manish Sisodia v. Directorate of Enforcement, 2024 SCC OnLine 1920****, has observed that this Court has granted bail in the said matter in exercise of powers under Article 142 of the Constitution of India.*
>
> *7. We may clarify that in the case of* ***Manish Sisodia (supra)*** *the Court has not exercised the powers under Article 142 of the Constitution of India. The Court has held that the twin conditions under Section 45 of the PMLA cannot override the constitutional safeguards, as provided under Article 21 of the Constitution of India. This Court has held that a prolonged incarceration cannot be permitted to be converted pre-trial detention into a sentence without trial. Like in the case of Manish Sisodia (supra) in the present case also thousands of documents are required to be considered at the*

> *stage of trial, so also around 50 witnesses are required to be examined. The main evidence in the present case is documentary in nature, which is already seized by the prosecution agency. As such, there is no possibility of the same being tampered with.*

72. Thus, in the aforesaid case the Hon'ble Apex Court has categorically observed that in the case of ***Manish Sisodia*** **(supra)** the Court has not exercised the powers under Article 142 of the Constitution of India. The Court has held that the twin conditions under Section 45 of the PMLA cannot override the constitutional safeguards, as provided under Article 21 of the Constitution of India.

73. Further in the case of ***Vijay Nair vs. Directorate of Enforcement 2024 SCC OnLine 3597***, the Hon'ble Supreme Court has categorically observed that the right of liberty guaranteed under Article 21 of the Constitution is a sacrosanct right which needs to be respected even in cases where stringent provisions are incorporated in the special enactments.

74. Very recently the Hon'ble Apex Court in the case of ***Sanjay Sureka @ Sanjay Kumar Sureka Vs. Directorate of Enforcement 2026 SCC OnLine SC 2148*** has categorically held that while the stringent bail conditions under the Prevention of Money Laundering Act, 2002 are justified due to the grave impact of large-scale economic offences on the nation's financial system, courts must ensure that the fundamental rights and personal liberty of the accused are not unduly compromised. If investigating agencies fail to conduct timely and expeditious investigations, prolonged incarceration cannot be justified. The criminal justice process should serve the ends of justice and must not become a punishment in itself by subjecting an accused to indefinite detention

without trial. For ready reference the relevant paragraphs of the aforesaid judgment are being quoted herein which reads as under:

> *" 11. That being said, we find ourselves in agreement with the Ld. Counsel for the Appellant that the magnitude of this case renders it impossible for the trial to be completed anytime soon. The Appellant has been in custody for over 20 months for an offence which has a punishment period of 7 years. The investigation has been completed quo Appellant. No purpose will be served by keeping the accused person behind bars now.*
>
> *12. The twin conditions under Section 45 of the PMLA cannot override the constitutional safeguards under Article 21 of the Constitution, as has been held in the case of Manish Sisodia v. Directorate of Enforcement1. Prolonged incarceration, if allowed to continue, will set at naught the constitutional safeguards extended to the accused persons.*
>
> *13. We are of the opinion that the culmination of the trial is a time consuming process, since the trial court will have to go through documents running into thousands of pages and examine around 98 witnesses. The Appellant must not be subjected to the rigours of custody as long as the trial is pending. Hence, Appellant must be released on bail, subject to furnishing of bail bonds to the satisfaction of the trial court and subject to such other terms and conditions as may be imposed by it*."

75. From the conspectus of the aforesaid decisions, it emerges that although the rigours of Section 45 of the Prevention of Money Laundering Act, 2002 are undoubtedly stringent and are intended to address the grave societal and economic consequences flowing from large-scale financial crimes, the said statutory restrictions cannot be

interpreted in a manner that eclipses the constitutional guarantee of personal liberty under Article 21 of the Constitution of India. The Hon'ble Supreme Court has consistently held that the twin conditions contained in Section 45, however stringent, do not override constitutional protections and that constitutional courts are duty-bound to safeguard individual liberty whenever continued detention loses its legitimate purpose.

76. The aforesaid judgments further establish that prolonged pre-trial incarceration, particularly in cases involving voluminous documentary evidence, numerous witnesses, and a remote likelihood of early commencement or conclusion of trial, constitutes a relevant and substantial ground for grant of bail notwithstanding the restrictions under the PMLA. The Hon'ble Supreme Court has repeatedly emphasized that once investigation is substantially complete, the prosecution complaint has been filed, and the evidence is largely documentary in nature and already within the custody of the investigating agency, continued detention serves little purpose, especially when there is no realistic apprehension of tampering with evidence or obstructing the course of justice.

77. The unifying principle emerging from the aforesaid decisions is that the criminal process cannot be permitted to assume the character of punishment prior to conviction. While economic offences are serious and warrant a cautious approach in matters of bail, indefinite or unduly prolonged incarceration pending trial would be antithetical to the mandate of Article 21.

78. In the backdrop of the aforesaid settled legal position and the factual matrix of the present case, this Court now proceeds to examine the contention advanced on behalf of the respondent-Enforcement Directorate that the petitioners had allegedly evaded personal appearance for nearly seven years and, therefore, do not deserve the discretionary relief of bail.

79. However, the said contention, though relevant for assessing the conduct of the accused, cannot be considered in isolation and must be evaluated in the light of the overall circumstances of the case, the stage of the proceedings, the completion of investigation, the likelihood of an early conclusion of trial, and the constitutional mandate contained in Article 21 of the Constitution of India.

80. In the instant case it is admitted fact that throughout the investigation from 14.09.2016 to 22.05.2019, the ED/Opposite Party never arrested the Petitioners. Upon cognizance and issuance of summons, the Petitioners appeared through counsel and moved an application under Section 205 Cr.P.C. Thereafter, Non-Bailable Warrants were issued and first proclamation proceedings were subsequently set aside by co-ordinate Bench of this Court vide order dated 24.06.2020 in Cr.M.P. No. 57 of 2020, with a direction to the Special Court to pass a fresh order in accordance with law. The Petitioners were arrested in the second ECIR on 26.11.2024 and have remained in judicial custody thereafter.

81. Despite such custody, perhaps the Opposite Party/ED did not apprise the Learned Special Court of the Petitioners' incarceration.

Thereafter Petitioners themselves on 30.03.2026, moved before the Special Court seeking issuance of a production warrant and disclosed the fact of their custody. In these circumstances, the Petitioners could not have been treated as absconders for the purpose of denying them the protection of Article 21, particularly when they had remained available to the investigating agencies in connected proceedings and had themselves taken steps to submit to the jurisdiction of the Special Court.

82. Admittedly as discussed in the preceding paragraphs that vide order dated 24.07.2026 the Petitioners have already been enlarged on bail by the Hon'ble Supreme Court in the subsequent ECIR. though the said order may not, by itself, confer an automatic right to bail, it is a material circumstance bearing upon the necessity and proportionality of continued incarceration which could not have been disregarded.

83. From perusal of the order dated 24.07.2026 passed by the Hon’ble Apex Court which has been quoted and referred hereinabove in the preceding paragraph, it is evident that Petitioner had placed before the Hon'ble Supreme Court the issue arising from the registration of successive ECIRS in respect of the same underlying transactions, the overall period of pre-trial incarceration undergone by them, and the proceedings arising out of the present ECIR. The Hon'ble Supreme Court, upon consideration of the entire material on record, was pleased to grant bail to the Petitioners in ECIR No. KLZO-I/15/2024 dated 01.08.2024 recorded by the ED, Kolkata. (hereinafter referred to as the "Second ECIR").

84. While granting bail, the Hon'ble Court took into consideration, inter alia, the substantial period of incarceration already undergone by the Petitioners and the absence of any likelihood of an early conclusion of the trial. Further, the Hon'ble Supreme Court also noticed that the alleged transactions pertained to the period 2013-2014.

85. It is an admitted position that throughout the investigation conducted in ECIR No. RNSZO/01/2016, present ECIR, the Respondent/ED never found it necessary to arrest the Petitioners. The investigation culminated in the filing of the Prosecution Complaint dated 22.05.2019 under Sections 44 and 45 of the Prevention of Money-Laundering Act, 2002 without the Petitioners having been taken into custody at any stage.

86. Further it is evident from record that investigation in context of the petitioners stood concluded and the Prosecution Complaint had already been filed. The evidence relied upon by the Respondent/ED is predominantly documentary in nature and had already been collected during the course of investigation.

87. Further as per the pleading made in the instant application, it is evident that the Petitioners have consistently participated in the connected proceedings pending in other states arising out of the similar transactions concerning the Prayag Group and have appeared before the concerned Courts and investigating authorities on nearly 40 occasions till their arrest on 26.11.2024.

88. It is further evident from the averments made in the instant application that the particulars of the connected proceedings, wherein the

Petitioners have been enlarged on bail, have been duly tabulated therein. The Petitioners have been granted bail in all the connected predicate offences as well as allied proceedings and have scrupulously complied with the conditions imposed by the respective Courts while granting such bail. As per averment there is not even a single allegation against the Petitioners of misuse of the liberty so granted, breach of any condition of bail, or non-cooperation with the investigating agencies.

89. Apart from the aforesaid discussion, it is an admitted fact herein that the present ECIR bearing No. RNSZO/01/2016 was registered on 14.09.2016 on the basis of FIR Nos. RC-8(A)/2015-D, RC-7(A)/2015-D and RC-8(S)/2015-R. What is striking, however, is that even after the passage of almost eleven years from the alleged occurrence and nearly ten years from the registration of the predicate FIRs, no charge-sheet has been filed in any of the scheduled offences.

90. Although the Prosecution Complaint was instituted long ago, charges are yet to be framed in the matter. The prosecution has cited as many as 19 witnesses and has relied upon approximately 1,000 pages of Relied Upon Documents (RUDs). Having regard to the voluminous documentary evidence and the number of witnesses proposed to be examined, it is manifest that the conclusion of the trial is likely to take a considerable length of time.

91. In view of the consistent judicial pronouncements of the Hon'ble Supreme Court as referred and quoted hereinabove in the preceding paragraphs, it is evident that the rigours contained in Section 45 of the Prevention of Money Laundering Act, 2002 cannot be

interpreted in a manner so as to override or dilute the constitutional guarantee of personal liberty enshrined under Article 21 of the Constitution of India. The decisions rendered by the Hon'ble Apex Court in ***Padam Chand Jain v. Enforcement Directorate (supra), Vijay Nair v. Directorate of Enforcement (supra), Arvind Walia v. Directorate of Enforcement(supra) and Sanjay Sureka @ Sanjay Kumar Sureka v. Directorate of Enforcement (supra)*** unequivocally affirm that constitutional courts are duty-bound to protect the right to personal liberty where continued pre-trial incarceration becomes excessive, disproportionate, and assumes the character of punishment before conviction.

92. The Hon'ble Apex Court has repeatedly emphasized that where the prosecution complaint has been filed, the evidence is predominantly documentary in nature and already in the custody of the prosecuting agency, and the possibility of an early conclusion of trial remains remote, continued detention cannot be justified solely on the basis of the statutory restrictions contained in Section 45 of the PMLA. It has been held that Article 21 remains paramount and that the criminal process cannot be permitted to operate as a punitive mechanism prior to adjudication of guilt.

93. In the facts of the present case, it is not in dispute that the prosecution rests primarily on documentary evidence already collected by the respondent agency. The petitioners have remained in custody for a substantial period, while the trial is likely to consume considerable time owing to the nature and volume of evidence. There is nothing on record

to indicate that their further detention is indispensable either for the purpose of investigation or for securing the documentary evidence already in possession of the prosecution. The continued incarceration of the petitioners, therefore, would not advance the cause of justice and, instead, would run contrary to the constitutional mandate of personal liberty and the right to a speedy trial guaranteed under Article 21 of the Constitution of India.

94. Having regard to the law laid down by the Hon'ble Supreme Court and considering the period of custody already undergone, the predominantly documentary nature of evidence and the submission of the prosecution complaint and the unlikelihood of the trial concluding in the near future, this Court is of the considered view that the present case is a fit case for grant of bail.

95. Further, in the backdrop of the aforesaid factual matrix and the settled position of law, this Court particularly taking note of the fact that pursuant to the directions issued by this Court in W.P. (PIL) No. 1635 of 2014, the complaints pending against the Petitioners' Company were transferred to the CBI on 11.05.2015. Subsequently, on 30.06.2015, the CBI registered three FIRs i.e FIR Nos. 8A and 7A at Dhanbad and FIR No. 8S at Ranchi, purportedly in respect of the alleged predicate offences and despite the lapse of over eleven years, the CBI has not filed chargesheet in any of the said FIRs, and the alleged predicate offences continue to remain at the stage of investigation and furthermore, considering that the Prosecution Complaint in present case filed in the year 2019 cites 19 witnesses and runs into thousands of pages of

documents, and that charges have yet to be framed, there is no likelihood of the trial commencing or concluding in the near future, is of the considered view that the prayer for bail of the petitioners herein deserves to be allowed.

96. Accordingly, the present bail application stands allowed.

97. In view thereof, the petitioners, above-named, are directed to be released on bail on furnishing bail bond of Rs. 1,00,000/- (One Lakh Only) each with two sureties of the like amount each to the satisfaction of learned Special Judge, PMLA at Ranchi, in connection with ECIR Case No. 01 of 2019 arising out of ECIR-RNSZO/01/2016 dated 14.09.2016. However, the bail granted by this Court is subject to following conditions: -

(i) The petitioners shall surrender their passport before the court concerned and if they wish for release of the same, they shall make proper application before the concerned court who shall decide the application for release of passport on its on merit.

(ii) The petitioners will not tamper with any evidence.

(iii) The applicants/petitioners shall not directly or indirectly make any inducement, threat or promise to any person acquainted with the facts of the case so as to dissuade him from disclosing such fact to the Court;

(iv) The petitioners shall appear before the learned Special Judge on each and every date unless exempted by the

learned Trial court on being satisfied with the causes shown by the petitioners in this regard.

(v)The applicants/petitioners shall not act in any manner which will be prejudicial to fair and expeditious trial;

(vi)The applicants/petitioners shall not involve themselves in any offence of a similar nature in future.

98. It is made clear that any observations made herein are *prima-facie* for consideration of matter of bail only and the view expressed herein shall not be construed as an expression on the merits of the case. The learned Trial Court shall proceed with the matter uninfluenced by any observations made by this Court and shall decide the case strictly in accordance with law.

(Sujit Narayan Prasad, J.)

Sudhir
Dated:18/11/2026
Jharkhand High Court, Ranchi
AFR

Uploaded on 19/11/2026.