



2026:CGHC:11504

NAFR**HIGH COURT OF CHHATTISGARH AT BILASPUR**

ORDER RESERVED ON 28.02.2026

ORDER DELIVERED ON 10.03.2026

ORDER UPLOADED ON 10.03.2026

MCRC No. 1065 of 2026

Niranjan Das S/o Late Shri Laxminarayan Das Aged About 63 Years
R/o House No. 61, Rama Greens, Near Las Vista Society, Amlidih, VIP
Road, Labhandih, Raipur, Distt. Raipur, Chhattisgarh.

... Applicant (s)**versus**

Directorate Of Enforcement Through Assistant Director, E.D. Raipur
Zonal Office, Raipur, Distt. Raipur, Chhattisgarh.

... Respondent(s)

For Applicant (s)	:	Shri Arshdeep Singh Khurana, learned counsel through VC assisted by Shri Mayank Kumar, Advocate
For Respondent/ED	:	Shri Zoheb Hossain, Advocate through VC assisted by Dr. Sourabh Kumar Pande, Special Public Prosecutor

(HON'BLE SHRI JUSTICE ARVIND KUMAR VERMA)**C A V Order**

The present application is the first bail application filed by the Applicant under Section 45 of the Prevention of Money Laundering Act, 2002 read with Section 483 of the *Bharatiya Nagarik Suraksha Sanhita* in connection with ECIR No. ECIR/RPZO/04/2024 dated 11.04.2024 registered by the Directorate of Enforcement for the offences punishable under Sections 3 and 4 of the PMLA. The said ECIR is predicated upon FIR No. 04/2024 dated 17.01.2024 registered by ACB, Raipur for offences under Sections 420, 467, 468, 471 and 120-B of the IPC read with Sections 7 and 12 of the Prevention of Corruption Act, 1988, relating to the alleged liquor scam in the State of Chhattisgarh.

BRIEF FACTS OF THE CASE

2. The genesis of the present proceedings traces back to a prosecution complaint filed by the Income Tax Department bearing Ct. Case No.1183/2022 under Sections 276C, 277 and 278E of the Income Tax Act read with Sections 120-B, 191, 199, 200 and 204 IPC, on the basis of which the Directorate of Enforcement registered ECIR No. ECIR/RPZO/11/2022 (ECIR-11). The said ECIR was premised upon an erroneous assumption that Section 120-B IPC by itself constituted a scheduled offence under the PMLA. The validity of ECIR-11 was subsequently challenged before the Hon'ble Supreme Court in Writ Petition (Criminal) No.153 of 2023 by certain co-accused persons.

3. By orders dated 28.04.2023 and 18.07.2023, the Hon'ble Supreme Court granted protection to the concerned petitioners and stayed further proceedings in relation to ECIR-11. Eventually, the

Supreme Court by judgment dated 08.04.2024 quashed the prosecution complaint forming the basis of ECIR-11 holding that no scheduled offence was made out and consequently there were no proceeds of crime under the PMLA in relation thereto.

4. Prior thereto, upon realizing the absence of any scheduled offence in ECIR-11, the Directorate of Enforcement had addressed a communication dated 11.07.2023 under Section 66 of the PMLA to the ACB, Raipur seeking registration of an FIR so as to create a predicate offence. A similar communication was also sent to the Uttar Pradesh Police on 28.07.2023. Pursuant thereto, FIR No.196/2023 dated 30.07.2023 was registered at Police Station Kasna, Greater Noida, Uttar Pradesh under Sections 420, 468, 471, 473, 484 and 120-B IPC. Subsequently, FIR No.04/2024 dated 17.01.2024 was registered by ACB/EOW, Raipur relating to the alleged liquor scam in the State of Chhattisgarh, which was treated as the predicate offence for the purposes of the PMLA. Immediately after the quashing of ECIR-11 by the Hon'ble Supreme Court, the Directorate of Enforcement registered the present ECIR No. ECIR/RPZO/04/2024 on 11.04.2024 treating the Chhattisgarh FIR as the underlying scheduled offence.

5. In the meantime, certain co-accused persons including the Applicant had approached this Court seeking quashing of the predicate offence FIR. During the pendency of those proceedings, the respondent agency made a statement before this Court that no coercive action would be taken against the applicants. However, the said petition was eventually dismissed by order dated 20.08.2024 and the interim

protection granted earlier stood vacated. The said order was thereafter challenged before the Supreme Court in SLP (Criminal) No.12864 of 2024. The Supreme Court, while dismissing the petitions on 16.09.2025, issued a categorical direction to the investigating agencies including the Directorate of Enforcement to conclude the investigation and file the complaint or additional charge-sheet within a period of three months.

6. The period stipulated by the Supreme Court expired on 15.12.2025. However, no prosecution complaint was filed by the Directorate of Enforcement within the said period. Instead, the Applicant came to be arrested by the Enforcement Directorate on 19.12.2025 in the present ECIR after expiry of the time limit granted by the Supreme Court. It is further the case of the Applicant that the arrest was effected despite the fact that the Applicant was already in judicial custody in relation to the predicate offence FIR and no permission to arrest was obtained from the jurisdictional Special Court (PC Act), Raipur. It is also contended that the arrest was not necessitated for any investigative purpose and was carried out only after expiry of the time granted by the Supreme Court for completion of investigation. Within seven days of the arrest of the Applicant, the Directorate of Enforcement filed the fifth supplementary prosecution complaint on 26.12.2025 arraying the Applicant as an accused. The Applicant has since remained in judicial custody.

7. It is the further case of the Applicant that the allegations against him arise out of the alleged liquor policy of the State of Chhattisgarh

and the functioning of the Chhattisgarh State Marketing Corporation Limited (CSMCL). According to the Applicant, the purchase, sale and distribution of liquor in the State was carried out under the aegis of CSMCL and the Applicant had no role whatsoever in the functioning of the said corporation. It is also asserted that a departmental inquiry conducted by the jurisdictional Commercial Tax (Excise) Department did not find any illegality in relation to the transactions in question.

8. The record further indicates that within seven days of the arrest of the Applicant, **i.e., on 26.12.2025, the Directorate of Enforcement filed a prosecution complaint against the Applicant and 52 other individuals (excluding five companies). Notably, apart from the Applicant and one Ms. Saumya Chaurasia, none of the other accused persons were arrested by the prosecuting agency despite the fact that several of them** are alleged to have played a more significant role in the commission of the alleged offence of money laundering and are alleged to have derived much larger proceeds of crime.

9. It is also pointed out that as many as **29 officers of the Excise Department were arraigned as accused persons without being arrested by the Enforcement Directorate**, thereby entitling them to the benefit flowing from the judgment of the Supreme Court in ***Tarsem Lal v. Directorate of Enforcement***. However, despite the Applicant also being an Excise Officer, he alone was singled out for arrest by the Enforcement Directorate, which according to the Applicant

demonstrates a selective and targeted approach adopted by the investigating agency.

10. The Applicant thereafter preferred a bail application before the learned Special Judge (PMLA), which came to be dismissed vide order dated 23.01.2026, and the Applicant continues to remain in judicial custody since then. In the aforesaid factual backdrop, the Applicant has approached this Court seeking enlargement on regular bail.

SUBMISSIONS ON BEHALF OF THE APPLICANT

11. Learned Counsel appearing for the Applicant submits as under:

I. Impugned order is legally unsustainable

It is submitted that the learned Special Judge (PMLA) has gravely erred in dismissing the Applicant's bail application vide order dated 23.01.2026 without properly appreciating the factual matrix and the settled principles governing grant of bail. A perusal of the impugned order would reveal that the learned Special Judge has merely reproduced the allegations levelled by the prosecution and has failed to undertake any meaningful analysis of the submissions advanced on behalf of the Applicant. The order thus suffers from non-application of mind and proceeds solely on the perceived gravity of the allegations without considering the settled parameters governing the grant of bail.

II. Investigation qua the Applicant stands completed

12. Learned counsel for the applicant submits that the investigation qua the Applicant stands concluded and his further custodial detention serves no investigative purpose whatsoever. It is submitted that the

Applicant was arrested by the Directorate of Enforcement on 19.12.2025. Within seven days of such arrest, the ED filed the 5th Supplementary Prosecution Complaint dated 26.12.2025, arraying the Applicant as an accused. The complaint itself records that the investigation in respect of the role of the arrested accused persons stands complete. In such circumstances, when the investigating agency itself admits completion of investigation qua the Applicant, his continued incarceration becomes wholly unjustified. The Applicant has already undergone ED custody and thereafter judicial custody and therefore there remains no requirement of further custodial interrogation.

III. Arrest of the Applicant is in clear disregard of the order of the Hon'ble Supreme Court

13. It is submitted that the Supreme Court, vide order dated 16.09.2025, while dealing with the petitions relating to the alleged liquor scam, had categorically directed the investigating agencies including the ED to complete the investigation and file the complaint/additional complaint within a period of three months, i.e., on or before 15.12.2025. However the ED failed to file any complaint within the stipulated period. Instead, the Applicant was suddenly arrested on 19.12.2025, i.e., four days after the expiry of the deadline fixed by the Hon'ble Supreme Court.

14. Learned counsel submits that such conduct clearly demonstrates that the arrest of the Applicant was not necessitated by any investigative requirement but was undertaken solely to circumvent the directions of the Apex Court and to prolong the Applicant's pre-trial

incarceration. The arrest thus stands in the teeth of the binding directions of the Supreme Court and is nothing but a manifest abuse of the process of law.

IV. Arrest was wholly unnecessary and mala fide

15. It is further submitted that during the entire three-month period granted by the Supreme Court, the ED never deemed it necessary to interrogate or arrest the Applicant. The sudden arrest immediately after the expiry of the deadline clearly establishes that the arrest was not driven by investigative necessity, and it was carried out only to prolong the Applicant's incarceration. This is further evident from the fact that the prosecution complaint running into hundreds of pages and supported by numerous documents was filed within seven days of the arrest, thereby clearly demonstrating that all material was already available with the ED and the arrest was neither necessary nor justified.

V. Selective and discriminatory arrest

16. Learned counsel for the applicant submits that the conduct of the ED in the present case clearly reflects a selective and pick-and-choose approach. It is pointed out that the prosecution complaint names more than 50 accused persons. Apart from the Applicant and one other accused, none of the remaining accused persons were arrested. Further as many as 29 officers of the Excise Department have been arrayed as accused without arrest. Several other individuals who are alleged to have derived substantially larger proceeds of crime have also not been arrested. Despite being similarly placed, the Applicant alone

has been singled out and arrested, which clearly demonstrates a targeted and discriminatory exercise of power.

VI. Principle of parity squarely applies

17. It is submitted that the Applicant is also entitled to bail on the principle of parity. It is submitted that several co-accused persons who are alleged to have played a far more significant role in the alleged scam have already been granted bail, including **Anil Tuteja, Arvind Singh, Trilok Singh Dhillon, Anwar Dhebar, Arun Pati Tripathi,** granted bail by the Supreme Court. **Accused Chaitanya Baghel** was granted bail by this Court

In fact, six out of nine arrested co-accused persons have already been enlarged on bail by the Supreme Court as well as the High court primarily on the ground of prolonged incarceration and delay in trial. Therefore, it is submitted that denial of bail to the present Applicant would amount to discriminatory treatment, contrary to settled principles governing grant of bail.

VII. Applicant's role is demonstrably lesser

18. It is further submitted that even as per the case set up by the prosecution, the alleged role attributed to the Applicant is substantially lesser than that of several other co-accused persons who are alleged to have derived enormous financial benefits from the alleged scam and played a far more central role in the alleged conspiracy. Despite this, those individuals have either been granted bail or have not even been arrested, which clearly entitles the Applicant to the benefit of parity.

VIII. Trial is unlikely to commence in the near future

19. Learned counsel for the applicant submits that the trial in the present case is likely to take considerable time. The prosecution complaint itself indicates that over 80 accused persons have been named, more than 117 witnesses are cited, Statements of over 200 individuals under Section 50 PMLA have been recorded. The proceedings are presently at the pre-cognizance stage, and even cognizance has not yet been taken.

20. After cognizance all accused persons will have to be heard, documents will have to be supplied and scrutinized, thereafter arguments on charge will be heard. Thus, it is evident that even the framing of charges is not likely to take place in the near future, and the trial itself will take several years.

IX. Continued incarceration violates Article 21

21. It is submitted that the right to speedy trial is a facet of Article 21 of the Constitution of India, as repeatedly held by the Supreme Court. In cases involving large number of accused and voluminous evidence, the constitutional courts have consistently held that continued incarceration pending trial becomes unjustified, particularly when the investigation is already complete.

X. Object of bail is not punitive

22. It is submitted that the object of bail is neither punitive nor preventive. The fundamental purpose of bail is to ensure the presence of the accused during trial. It is well settled that punishment begins only

after conviction, and therefore pre-trial detention should not be permitted to assume the character of punishment. In the present case, the Applicant has already undergone significant incarceration, the investigation is complete, the trial is unlikely to commence in the near future. Thus, continued detention of the Applicant would amount to pre-trial punishment, which is impermissible in law.

XI. Twin conditions under Section 45 PMLA satisfied

23. Learned counsel for the applicant submits that the Applicant satisfies the twin conditions under Section 45 of the PMLA, inasmuch as there are reasonable grounds to believe that the Applicant is not guilty of the alleged offence, and the Applicant is not likely to commit any offence while on bail. The Applicant has cooperated with the investigation throughout and there is no allegation that he has attempted to tamper with evidence or influence witnesses.

XII. Applicant has deep roots in society

24. It is submitted that the Applicant is a permanent resident and has deep roots in society. There is no possibility of his absconding or evading the process of law. The Applicant undertakes to fully cooperate with the trial and abide by any conditions that may be imposed by this Court.

25. Learned Counsel appearing for the Applicant, while reiterating the submissions already advanced, further contended that the continued incarceration of the Applicant serves no useful purpose, particularly when the investigation in relation to the Applicant stands substantially

concluded and the prosecution complaint has already been filed. He submits that the Supreme Court has repeatedly held that prolonged incarceration pending trial is a valid ground for grant of bail even in cases under the Prevention of Money Laundering Act. Reliance is placed upon the decision of the Supreme Court in ***Arvind Dharm v. Directorate of Enforcement***, wherein bail was granted on account of delay even when the accused had undergone only three months of custody.

26. It is further submitted that it is not even the case of the Enforcement Directorate that the Applicant, if released on bail, would either influence witnesses or tamper with evidence. Nor is it the case of the respondent agency that the release of the Applicant would hamper the course of investigation or trial. Thus, in the absence of any such apprehension, continued detention of the Applicant becomes wholly unjustified.

XIII. Failure of the Respondent Agency to Obtain Sanction for Prosecution

27. Learned counsel further submits that the prosecution complaint in the present case has been filed without obtaining sanction for prosecution under Section 197 Cr.P.C (now Section 218 BNSS) despite the Applicant being a public servant at the relevant time. It is submitted that the Enforcement Directorate itself admits that sanction for prosecution was applied for only on 06.01.2026. However, the prosecution complaint was filed earlier on 26.12.2025 without obtaining sanction from the competent authority. In the absence of such sanction,

cognizance of the offence cannot be taken by the Special Court, thereby rendering the prosecution complaint legally infirm.

28. He submits that similarly placed **co-accused Anil Tuteja and Arun Pati Tripathi**, who are also public servants and against whom even graver allegations have been levelled, have already been granted bail on account of non-obtaining of sanction for prosecution. It is further contended that the argument advanced by the Enforcement Directorate relying upon the proviso to Section 218 BNSS regarding deemed sanction after 120 days is wholly misconceived. The said period itself has not yet expired and therefore the agency cannot seek to justify the continued incarceration of the Applicant on the assumption that sanction would eventually be granted.

XIV. No Need or Necessity of Arrest

29. Learned counsel submits that the arrest of the Applicant was wholly unnecessary and unjustified. It is pointed out that allegations against the Applicant were first raised in the earlier ECIR bearing ECIR-11, which has already been quashed by the Supreme Court on 08.04.2024. Even thereafter, in the present ECIR registered on 11.04.2024, the Applicant was not arrested for a considerable period despite the filing of multiple prosecution complaints. Significantly, the Applicant was arrested only on 19.12.2025 and the prosecution complaint was filed within seven days of his arrest on 26.12.2025. This clearly demonstrates that all material was already in possession of the investigating agency and therefore there existed no investigative

necessity for arrest. The belated arrest was thus effected only with a view to prolong the Applicant's pre-trial incarceration.

30. Learned counsel further submits that the Applicant had appeared before the Enforcement Directorate on multiple occasions and cooperated with the investigation. Even after his last appearance on 09.06.2025, no summons was issued to the Applicant for nearly six months, after which he was suddenly arrested. It is further submitted that the contention of the Enforcement Directorate that the Applicant had not cooperated with the investigation is completely unfounded. It is well settled that mere refusal to make a confession cannot be treated as non-cooperation. Reliance in this regard is placed upon the judgment of the Supreme Court in ***Pankaj Bansal v. Union of India***, as well as the decisions in ***Santosh v. State of Maharashtra and Shally Mahant @ Sandeep v. State of Punjab***.

XV. Pick and Choose Investigation and Parity

31. Learned counsel further submits that the investigation conducted by the Enforcement Directorate suffers from manifest arbitrariness and a clear pick-and-choose approach. It is pointed out that a non-arrest prosecution complaint has been filed against 58 co-accused persons, including 29 officers of the Excise Department. All such individuals have been arrayed as accused without arrest.

32. It is submitted that this Court itself has taken judicial notice of the selective manner in which the investigation has been conducted while granting bail to co-accused in the present case, including in the order

passed in **Chaitanya Baghel**. Learned counsel for the applicant submits that the Applicant also belonged to the Excise Department, and therefore the principle of parity squarely applies in his favour.

33. It was further contended on behalf of the Applicant that several other individuals who are alleged to have derived far greater proceeds of crime in the alleged liquor scam have neither been arrested nor proceeded against by the investigating agency. It was submitted that, according to the prosecution itself, certain excise officers are alleged to have collectively obtained proceeds of crime amounting to nearly ₹90 crores, with some individuals allegedly receiving amounts exceeding ₹12 crores, yet no coercive action has been taken against them. It was also urged that key beneficiaries and facilitators of the alleged scam, including distillers, manpower and cash-collection agencies, as well as certain private individuals allegedly involved in transactions running into hundreds of crores, have not been arrested by the Investigating Agency. Similarly, **Laxmi Narayan Bansal @ Pappu Bansal and Vikas Agarwal @ Shubu (absconding)** who are alleged to have received proceeds of crime running into hundreds of crores, has also not been arrested despite issuance of non-bailable warrants.

34. Further contention of the Applicant is that the prosecution has primarily relied upon statements of certain individuals recorded in earlier proceedings, which were subsequently retracted, and therefore such statements cannot form the sole basis for attributing criminal liability to him. However, as discussed hereinabove, the non-arrest of certain other accused persons or the alleged magnitude of proceeds of

crime attributed to them cannot, by itself, constitute a ground for grant of bail to the Applicant, particularly when the prosecution attributes to him a distinct and supervisory role in the alleged offence.

35. Learned counsel for the applicant submits that when persons alleged to have played a far more significant role have either been granted bail or have not been arrested at all, the Applicant is clearly entitled to the benefit of parity. Reliance in this regard is placed upon the judgment of the Delhi High Court in ***Vipin Yadav v. Directorate of Enforcement***.

XVI. Amount of Alleged Proceeds of Crime Irrelevant

36. It is further submitted that the allegation of the Enforcement Directorate that the Applicant is alleged to have obtained proceeds of crime of ₹18 crores cannot be a ground to deny bail. Under the scheme of the Prevention of Money Laundering Act, the offence is attracted upon laundering of proceeds of crime and no distinction in punishment has been made on the basis of the quantum involved. Moreover, as per the own case of the Enforcement Directorate, several other excise officers are alleged to have obtained proceeds of crime exceeding ₹12 crores individually and approximately ₹90 crores cumulatively, yet they have not been arrested.

XVII. Case Based on Retracted and Inadmissible Statements

37. Learned counsel for the applicant further submits that the entire case of the prosecution rests upon retracted and legally inadmissible statements. The Enforcement Directorate has primarily relied upon

statements of **Arun Pati Tripathi and Arvind Singh**, which were recorded in the proceedings arising out of ECIR-11, which itself has already been quashed. Both the said statements have subsequently been retracted by the makers, and therefore they cannot form the basis for denying bail to the Applicant. Reliance in this regard is placed upon the judgment of the Delhi High Court in ***Raman Bhuraria v. Directorate of Enforcement, 2023 SCC OnLine Del. 657.***

38. Lastly, he submits that the arrest of the Applicant was wholly unnecessary, the prosecution complaint has been filed without sanction for prosecution, the investigation suffers from manifest arbitrariness and selective action and the case of the prosecution is based primarily on retracted and inadmissible statements. It is therefore submitted that the Applicant has made out a strong case for grant of bail, and his continued incarceration would be wholly unjustified.

REPLY/OBJECTIONS ON BEHALF OF THE RESPONDENT/ED

39. Per contra, Shri Hossain, learned counsel appearing for the Directorate of Enforcement vehemently opposed the bail application and made the following submissions:

It is submitted that the present case discloses a well-orchestrated and systemic economic offence involving large-scale laundering of proceeds of crime generated from illegal liquor operations in the State of Chhattisgarh. The material collected during investigation clearly demonstrates that the Applicant, while holding the office of Excise Commissioner and subsequently Secretary, Excise, played a pivotal and supervisory role in facilitating the illegal liquor syndicate, which

resulted in generation of enormous proceeds of crime. The offence of money laundering under the Prevention of Money Laundering Act, 2002 is not an ordinary offence but constitutes a serious economic offence having far-reaching consequences on the financial and economic fabric of the country. The Supreme Court has consistently held that offences under the PMLA must be viewed with greater seriousness, as such offences affect not merely individuals but the economic stability and integrity of the nation. Reliance in this regard is placed upon the judgment of the Supreme Court in ***Vijay Madanlal Choudhary v. Union of India (2022 SCC OnLine SC 929)***, wherein it has been categorically held that the rigours contained in Section 45 of the PMLA are mandatory in nature, and before granting bail the Court must be satisfied that there are reasonable grounds for believing that the accused is not guilty of the offence and that he is not likely to commit any offence while on bail.

II. Rigours of Section 45 of PMLA

40. Learned counsel for the respondent/ED submits that a person accused of an offence under the PMLA cannot be granted bail in a routine manner. The statutory mandate contained in Section 45 of the PMLA overrides the general provisions relating to bail under the Code of Criminal Procedure. It is contended that the twin conditions stipulated under Section 45 are mandatory, and unless the Court records a satisfaction that there exist reasonable grounds for believing that the accused is not guilty of the offence, bail cannot be granted. Reliance in this regard is placed upon the judgment of the Supreme Court in ***Union***

of India v. Kanhaiya Prasad (2025 SCC OnLine SC 306), wherein it has been reiterated that the conditions contained in Section 45 are stringent and must be strictly complied with while considering bail under the PMLA. It is submitted that in the present case, the Applicant has failed to satisfy the mandatory twin conditions prescribed under Section 45, and therefore the bail application deserves to be rejected.

III. Prima Facie Case Established Against the Applicant

41. He submits that the Prosecution Complaint dated 26.12.2025, along with the material collected during investigation, clearly establishes a prima facie case of money laundering against the Applicant. Investigation has revealed that after the Applicant assumed charge as Excise Commissioner in May 2019, he entered into active coordination with co-accused **Anwar Dhebar** and other members of the liquor syndicate to facilitate an illegal scheme relating to the sale and distribution of liquor in the State. Evidence collected during investigation shows that the Applicant was in regular communication with Anwar Dhebar, and examination of the WhatsApp chats and call detail records shows that 39 calls were exchanged between them during the relevant period, clearly indicating a pattern of close coordination. It is further submitted that several District Excise Officers across 15 districts of the State have recorded statements under Section 50 of the PMLA, wherein they have categorically admitted that unaccounted "Part-B liquor" was being sold through State-run liquor shops; they were instructed by senior officers including the Applicant not to interfere in the said illegal operations; even flying squads were directed to ignore the

transportation and sale of such illegal liquor. These statements clearly demonstrate that the illegal liquor operations were carried out with the knowledge and protection of the Applicant, who was heading the Excise Department at the relevant time.

IV. Policy Manipulation and Facilitation of the Liquor Syndicate

42. Learned counsel for the respondent/ED further submits that the investigation has revealed that the Applicant played a key role in manipulating excise policy and administrative decisions in order to facilitate the illegal liquor syndicate. It has been established that the landing price of country liquor was artificially increased during FY 2019-20 and FY 2020-21, such increases lacked any cost-based justification, and the same were intended to enable extraction of illegal commission from liquor manufacturers.

43. Investigation further revealed that the introduction of the FL-10A license and modifications in tender conditions relating to hologram supply were designed to favour pre-selected vendors associated with the liquor syndicate. The tender for supply of holograms was awarded to M/s Prism Holography and Security Films Pvt. Ltd., with the understanding that duplicate holograms would be supplied whenever required by the syndicate. Statements recorded during investigation clearly indicate that the Applicant, being the head of the Excise Department, facilitated these policy changes and administrative decisions, thereby enabling the illegal extraction of commission from liquor suppliers.

V. Illegal Collection and Distribution of Proceeds of Crime

44. It is next submitted that the investigation has further revealed a systematic mechanism for collection and distribution of illegal proceeds of crime generated from the sale of Part-B liquor. Evidence collected during investigation shows that an amount of ₹150 per box of liquor was collected as illegal commission, which was distributed among members of the syndicate and certain officials. Out of the said amount ₹50 lakh per month was delivered to the Applicant, an equal amount was paid to the then Excise Minister and the remaining amount was distributed among other officials and members of the syndicate. Statements of **Iqbal Khan and Kanhaiya Lal Kurre** clearly describe the manner in which cash was delivered to the official residence of the Applicant.

45. Based on the material collected during investigation, it has been established that the Applicant acquired proceeds of crime to the tune of approximately ₹18 crores.

VI. Evidence of Proceeds of Crime

45. It is further submitted that the investigation has revealed deposits of unexplained funds in the bank accounts of the Applicant and his family members. Approximately ₹73 lakh has been found deposited in bank accounts of family members, including accounts of his son, who admittedly had no independent source of income. The explanation offered by the Applicant that the deposits were made from rental income has been found to be wholly inconsistent with the financial records, thereby strengthening the inference that the deposits represent proceeds of crime.

VII. Statements under Section 50 of PMLA

46. It is submitted that the statements recorded under Section 50 of the PMLA constitute substantive evidence and are admissible in law. Reliance in this regard is placed upon the judgments of the Supreme Court in Rohit *Tandon v. Directorate of Enforcement (2018) 11 SCC 46; Tarun Kumar v. Directorate of Enforcement (2023 SCC OnLine SC 1486); Satyender Kumar Jain v. Directorate of Enforcement (2024 INSC 217)*.

47. In the aforesaid judgments, the Supreme Court has categorically held that statements recorded under Section 50 of the PMLA are admissible in evidence and can form the basis for establishing a prima facie case at the stage of bail. It is therefore submitted that the statements recorded during investigation clearly establish the involvement of the Applicant in the commission of the offence of money laundering.

VIII. Sanction for Prosecution Not a Ground for Bail

48. Learned counsel further submits that the contention of the Applicant that sanction for prosecution under Section 197 CrPC has not been obtained is wholly misconceived. It is submitted that the alleged acts of money laundering were not performed in discharge of official duties, and therefore the question of sanction does not arise at this stage. In any case, sanction for prosecution has already been applied for before the competent authority and is presently under consideration. It is further submitted that the absence of sanction, even if assumed, would be a curable defect, and the issue can be raised at the stage of

cognizance or trial. Reliance in this regard is placed upon the judgment of the Jharkhand High Court in ***Pooja Singhal v. Directorate of Enforcement (2025)***, wherein it was held that absence of sanction does not vitiate the proceedings and cannot be a ground for grant of bail.

IX. Parity Cannot Be Claimed

49. Learned counsel further submits that the Applicant cannot claim bail on the ground of parity with other accused persons. The Supreme Court in ***Tarun Kumar v. Directorate of Enforcement (2023)*** has categorically held that parity is not the law and each bail application must be examined on the basis of the individual role and involvement of the accused. Similarly, in ***Sagar v. State of U.P. (2025 INSC 1370)***, the Supreme Court held that parity cannot be treated as an absolute ground for grant of bail.

50. In the present case, the Applicant occupied a position of highest authority in the Excise Department, and the material on record shows that he played a central role in facilitating the illegal liquor syndicate. Therefore, the Applicant cannot claim parity with other accused persons.

X. Gravity of the Offence

51. Learned counsel for the respondent/ED submits that the offence in the present case involves large-scale corruption and generation of illicit proceeds running into hundreds of crores, affecting the public exchequer and undermining the regulatory framework governing liquor distribution in the State. Economic offences of such magnitude have

been consistently treated by the Supreme Court as grave offences affecting the economic health of the nation, and therefore require a strict approach while considering bail.

52. Learned counsel for the Directorate of Enforcement (ED) has placed the following further submissions:

It is submitted that the present case pertains to a large-scale and well-organized economic offence involving generation and laundering of massive proceeds of crime arising out of an illegal liquor syndicate operating within the State of Chhattisgarh. The material collected during investigation clearly demonstrates that the Applicant, while holding the high public office of Excise Commissioner and Managing Director of the Chhattisgarh State Marketing Corporation Limited, played a central and supervisory role in facilitating the illegal scheme, thereby enabling the generation and concealment of substantial proceeds of crime.

53. He contends that economic offences constitute a class apart and must be approached with greater circumspection while considering the question of grant of bail. The Supreme Court in ***State of Bihar v. Amit Kumar (2017) 13 SCC 751 and Y.S. Jagan Mohan Reddy v. CBI (20137 SCC 439*** has categorically held that economic offences having deep-rooted conspiracies and involving huge loss of public funds must be viewed seriously, as they pose a serious threat to the economic health of the nation. Similarly, in ***P. Chidambaram v. Directorate of Enforcement (AIR 2019 SC 4198)***, the Supreme Court reiterated that economic offences stand on a different footing from ordinary offences,

and the gravity of such offences must weigh heavily with the Court while considering an application for bail.

XI. Non-Arrest of Co-Accused Not a Ground for Bail

54. Learned counsel submits that the contention raised on behalf of the Applicant that several other accused persons have not been arrested and therefore he is entitled to bail on the ground of parity is wholly misconceived and legally untenable. It is submitted that the investigation conducted by the ED revealed that a substantial portion of the proceeds of crime generated from the illegal liquor operations had been traced to various excise officers. After a detailed financial investigation, the ED has been able to identify and attach the proceeds of crime held by those officers in the form of immovable properties, shares, mutual funds, insurance policies and deposits in bank accounts. It is further submitted that almost the entire proceeds of crime held by those officers have already been attached, and during the course of investigation those officers fully cooperated with the investigating agency, thereby obviating the necessity of arrest in their cases.

55. In contrast, the Applicant did not cooperate with the investigation and deliberately avoided appearing before the ED despite repeated summons. Reliance in this regard is placed upon the judgment of the Supreme Court in ***Central Bureau of Investigation v. V. Vijay Sai Reddy (2013) 7 SCC 452***, wherein it has been held that mere non-arrest of co-accused cannot be treated as a ground for grant of bail, and each case must be examined on the basis of the individual role and conduct of the accused concerned. It is further submitted that the

Applicant occupied the highest administrative position in the Excise Department, and therefore his role stands on an entirely different footing from that of other officers.

XII. Non-Cooperation by the Applicant

56. It is submitted that the Applicant did not cooperate with the investigation despite repeated summons issued by the Directorate of Enforcement. It is submitted that out of six summons issued to the Applicant, he appeared only on three occasions and failed to comply with the remaining summons. Even during the occasions when he appeared before the ED, he did not extend meaningful cooperation and withheld crucial information relating to the proceeds of crime. It is further submitted that the Applicant deliberately failed to provide any explanation regarding the source of funds relating to properties and bank deposits standing in his name and in the names of his family members, which were subsequently attached during the course of investigation. The conduct of the Applicant clearly demonstrates that he has not cooperated with the investigation, and therefore his case stands on a completely different footing from that of other accused persons.

XIII. Magnitude of Proceeds of Crime

57. He submits that the investigation has revealed that the Applicant procured proceeds of crime amounting to approximately ₹18 crores, arising out of illegal liquor operations. Out of this amount, the ED has already been able to attach properties worth ₹8.83 crores in the name of the Applicant and his family members, while the remaining proceeds of crime are suspected to have been concealed by him. During the

course of examination under Section 50 of the PMLA, the Applicant failed to disclose the source of these funds, thereby strengthening the inference that the assets represent proceeds of crime generated through illegal activities.

XIV. Arrest After Two Years Fully Justified

58. Learned counsel for the respondent submits that the contention of the Applicant that he was arrested after a gap of two years from registration of the ECIR is entirely misconceived. It is submitted that the Applicant had earlier approached the Supreme Court challenging the predicate FIR and **was granted interim protection from taking coercive action** while directing him to cooperate with the investigation. The said **interim protection continued until 16.09.2025**, when the Supreme Court vacated the interim protection granted to the Applicant.

59. It is therefore submitted that prior to the vacation of the interim protection granted by the Supreme Court, the Applicant could not have been arrested and immediately upon the lifting of such protection, the ED proceeded to take action in accordance with law.

XV. Filing of Prosecution Complaint within Seven Days of Arrest

60. Learned counsel further submits that the Applicant has attempted to argue that the prosecution complaint was filed within seven days of his arrest, thereby suggesting that his arrest was unnecessary. This contention is wholly misconceived.

61. It is submitted that under Section 19 of the PMLA, an arrest can only be effected when the authorized officer has reason to believe,

based on material in his possession, that the person concerned is guilty of the offence of money laundering. Thus, the arrest of the Applicant was made only after the investigating officer had gathered sufficient material demonstrating his involvement in the offence. Reliance in this regard is placed upon the judgment of the Supreme Court in **Arvind Kejriwal v. Directorate of Enforcement**, wherein it has been held that arrest under Section 19 of the PMLA must be preceded by the formation of a reasoned belief based on material in possession of the investigating officer.

XVI. Period of Incarceration Not Long Enough

62. Learned counsel for the respondent/ED submits that the Applicant has sought bail on the ground of alleged prolonged incarceration. However, the period of custody undergone by the Applicant is barely about two months, which by no stretch of imagination can be considered as a long period of incarceration. The Supreme Court in **Manish Sisodia v. CBI (2023 SCC OnLine SC 1393)** has held that bail on the ground of delay in trial can be considered only when the accused has undergone an inordinately long period of incarceration coupled with the improbability of early conclusion of trial. Similarly, in **Udhav Singh v. Directorate of Enforcement (2025 SCC OnLine SC 357)**, the Supreme Court clarified that even a period of seven months of custody cannot be treated as long incarceration.

63. Furthermore, various decisions of the Supreme Court have refused bail even after prolonged custody, including:

Anil Tuteja v. Union of India – bail refused after 11 months and 24 days of custody.

Vedpal Singh Tanwar v. Directorate of Enforcement – bail refused after 1 year 4 months of custody.

Shahnawaz Ahmed Jeelani v. Directorate of Enforcement – bail refused after 1 year 6 months of custody.

Vipin Kumar Sharma v. Directorate of Enforcement – bail refused after 1 year 3 months of custody.

Bimal Kumar Jain v. Directorate of Enforcement – bail refused even after more than two years of custody.

In light of these precedents, the Applicant's custody of merely a few weeks cannot be considered a valid ground for grant of bail.

XVII. Economic Offences Require a Strict Approach

64. Learned counsel for the respondent/ED submits that the Supreme Court has repeatedly emphasized that economic offences involving large-scale financial irregularities must be viewed with greater seriousness. In ***Nimmagadda Prasad v. CBI (2013) 7 SCC 466***, the Supreme Court held that economic offences constitute grave offences affecting the economy of the country and therefore must be treated differently while considering bail. Similarly, in ***State of Gujarat v. Mohanlal Jitmalji Porwal (1987) 2 SCC 364***, the Supreme Court observed that economic offenders who ruin the economy of the State must be dealt with sternly, as such offences undermine the faith of society in the justice delivery system.

65. Recently, the Supreme Court in ***Pradeep Nirankarnath Sharma v. Directorate of Enforcement (2025 INSC 349)*** reiterated that the PMLA has been enacted to combat the menace of money laundering and to prevent the integration of proceeds of crime into the formal financial system, and therefore courts must adopt a strict approach while dealing with such offences. Similarly, in ***Rakesh Mittal v. Ajay Pal Gupta***, the Supreme Court observed that in offences of a pecuniary nature where innocent individuals are cheated of their hard-earned money, the Court must carefully balance the liberty of the accused against the larger interests of society.

66. It is therefore submitted that the Applicant has played a central role in facilitating the illegal liquor syndicate, the investigation has revealed generation and concealment of substantial proceeds of crime, the Applicant did not cooperate with the investigation, the period of custody undergone by him is extremely short and the offence involved is a grave economic offence affecting the financial integrity of the State. It is therefore submitted that the Applicant does not deserve the discretionary relief of bail, and the present bail application is liable to be dismissed.

FINDINGS

67. Having heard learned Counsel appearing for the Applicant and learned counsel representing the Directorate of Enforcement at length, and having carefully perused the material placed on record including the Prosecution Complaint, statements recorded under Section 50 of the Prevention of Money Laundering Act, 2002, the documents annexed

with the pleadings and the judgments relied upon by the respective parties, this Court proceeds to examine whether the Applicant has made out a case for grant of bail.

68. It is to be noted that the present case arises out of allegations pertaining to a large-scale liquor syndicate operating within the State of Chhattisgarh, wherein it is alleged that illegal sale of liquor through State-run outlets resulted in generation of enormous proceeds of crime which were thereafter laundered through various channels. The Applicant, at the relevant point of time, was occupying the position of Excise Commissioner and Managing Director of the Chhattisgarh State Marketing Corporation Limited, and according to the prosecution, played a pivotal role in facilitating the said illegal scheme.

69. The Directorate of Enforcement, on the basis of material collected during investigation, alleges that the Applicant received proceeds of crime amounting to approximately ₹18 crores, out of which assets worth ₹8.83 crores have already been attached in his name and in the names of his family members.

I. Applicability of Section 45 of the PMLA

70. Before advertng to the rival submissions in detail, it would be apposite to note that the offence alleged against the Applicant falls within the ambit of the Prevention of Money Laundering Act, 2002, and therefore the rigours of Section 45 of the PMLA are attracted. The Supreme Court in ***Vijay Madanlal Choudhary v. Union of India (2022 SCC OnLine SC 929)*** has categorically held that the twin conditions

contained in Section 45 are mandatory in nature. The Court while considering an application for bail under the PMLA must record its satisfaction that there are reasonable grounds for believing that the accused is not guilty of the offence; and the accused is not likely to commit any offence while on bail.

71. The said conditions have been reiterated by the Supreme Court in subsequent judgments including *Union of India v. Kanhaiya Prasad* and other decisions dealing with offences under the PMLA. Thus, while considering the present bail application, this Court is required to examine whether the Applicant has been able to satisfy the aforesaid statutory conditions.

II. Role Attributed to the Applicant

72. From the material placed on record, it prima facie emerges that the Applicant was occupying the highest administrative position in the Excise Department during the relevant period and the investigation conducted by the ED indicates that the illegal liquor operations were carried out with the knowledge and facilitation of senior officials of the department. Statements recorded under Section 50 of the PMLA from several excise officers indicate that unaccounted liquor was sold through government liquor shops and that the field officers were instructed not to interfere with such operations. Certain statements also refer to the alleged delivery of cash amounts to the Applicant.

73. At the stage of consideration of bail, this Court is not required to conduct a meticulous examination of the evidentiary value of such

statements. However, the material placed on record by the prosecution, at this stage, cannot be brushed aside as wholly improbable or lacking in substance. The Supreme Court in ***Rohit Tandon v. Directorate of Enforcement (2018) 11 SCC 46*** and ***Tarun Kumar v. Directorate of Enforcement*** has held that statements recorded under Section 50 of the PMLA constitute relevant material which may be considered by the Court at the stage of bail for determining the existence of a prima facie case.

III. Non-Arrest of Co-Accused

74. A significant argument advanced on behalf of the Applicant is that several other accused persons, including officers of the Excise Department, have not been arrested by the investigating agency and therefore the Applicant is entitled to bail on the ground of parity. This submission, in the opinion of this Court, does not merit acceptance. The Supreme Court in ***Central Bureau of Investigation v. V. Vijay Sai Reddy (2013) 7 SCC 452*** has clearly held that mere non-arrest of co-accused cannot be treated as a ground for grant of bail, and that each accused must be considered on the basis of his own role and conduct. In the present case, the Applicant was holding the position of Excise Commissioner and Managing Director of the State Marketing Corporation, and the prosecution has attributed to him a significantly larger and supervisory role in the alleged conspiracy. Thus, a comparison with other officers who were subordinate to him or who allegedly played different roles cannot be mechanically drawn.

IV. Delay in Arrest

75. Learned Counsel for the Applicant has contended that the Applicant was arrested nearly two years after registration of the ECIR and therefore his arrest was unnecessary. This argument also does not persuade this Court.

76. It is not in dispute that the Applicant had earlier approached the Supreme Court challenging the predicate offence FIR, and during the pendency of the said proceedings interim protection from coercive action had been granted in his favour. The said interim protection remained in force until 16.09.2025, when the Supreme Court dismissed the petition and vacated the interim protection. In view of the subsistence of the said protection, the investigating agency could not have proceeded to arrest the Applicant earlier. Therefore, the contention that the arrest was belated or unnecessary does not hold merit.

V. Filing of Prosecution Complaint Shortly After Arrest

77. Another submission raised on behalf of the Applicant is that the prosecution complaint was filed within seven days of his arrest, which allegedly indicates that his arrest was not necessary. This Court is unable to accept the said contention.

78. Under Section 19 of the PMLA, an arrest can only be effected when the authorized officer has reason to believe, based on material in his possession, that the accused is guilty of the offence of money laundering. Therefore, the filing of the prosecution complaint shortly after arrest cannot by itself lead to an inference that the arrest was

unwarranted, particularly when the investigating agency claims to have gathered sufficient material prior to the arrest.

VI. Period of Custody

79. The Applicant has also sought bail on the ground that continued incarceration would violate his personal liberty under Article 21 of the Constitution. However, the period of custody undergone by the Applicant at present is barely about two months. The Supreme Court in ***Manish Sisodia v. CBI (2023 SCC OnLine SC 1393)*** has held that the ground of delay in trial can be invoked only when the accused has undergone an inordinately long period of incarceration coupled with the likelihood that the trial would not conclude within a reasonable time.

80. Similarly, in ***Udhav Singh v. Directorate of Enforcement (2025 SCC OnLine SC 357)***, the Supreme Court has clarified that even a period of seven months of custody cannot be considered long incarceration so as to justify grant of bail in a PMLA case. In the present case, the period of custody undergone by the Applicant is significantly shorter and therefore cannot be treated as a valid ground for grant of bail.

VII. Gravity of the Offence

81. It is well settled that economic offences constitute a class apart and must be viewed with a different approach while considering bail. The Supreme Court in ***Y.S. Jagan Mohan Reddy v. CBI, Nimmagadda Prasad v. CBI, and State of Bihar v. Amit Kumar*** has consistently held that economic offences involving large-scale financial

irregularities must be dealt with seriously, as such offences have far-reaching consequences on the economic fabric of the country. Similarly, in *P. Chidambaram v. Directorate of Enforcement*, the Supreme Court observed that economic offences stand on a different footing and the gravity of such offences must weigh heavily with the Court while deciding bail applications.

82. In the present case, the allegations pertain to generation and laundering of substantial proceeds of crime through manipulation of the liquor distribution system, which prima facie involves misuse of public office and abuse of administrative authority. Such allegations, if ultimately established during trial, would undoubtedly constitute serious economic offences affecting public interest.

VIII. Satisfaction of Twin Conditions

83. Having considered the material placed on record, this Court is unable to record a satisfaction at this stage that there exist reasonable grounds for believing that the Applicant is not guilty of the offence alleged against him. Consequently, the mandatory twin conditions prescribed under Section 45 of the PMLA cannot be said to have been satisfied.

CONCLUSION

84. Upon an overall consideration of the rival submissions advanced by learned counsel appearing for the parties, the material placed on record, and the legal principles governing the grant of bail under the Prevention of Money Laundering Act, 2002, this Court finds that the

Applicant has failed to make out a case warranting the exercise of the discretionary jurisdiction of this Court in his favour.

85. The allegations in the present matter pertain to a well-structured and systemic economic offence involving generation and laundering of substantial proceeds of crime through manipulation of the liquor distribution mechanism within the State. The material collected during investigation, including the statements recorded under Section 50 of the PMLA and the financial trail traced by the investigating agency prima facie indicates the involvement of the Applicant, who at the relevant point of time occupied the highest administrative position in the Excise Department, thereby holding a position of considerable authority and influence.

86. The argument advanced on behalf of the Applicant that several other accused persons have not been arrested and therefore he is **entitled to bail on the ground of parity does not persuade this Court**. As consistently held by the Supreme Court, parity cannot be claimed in a mechanical manner, and the role attributed to each accused is required to be independently assessed. In the present case, the prosecution attributes to the Applicant a distinct and supervisory role in the alleged conspiracy, which stands on a different footing from that of other accused persons. As per allegation of the prosecution agency, he is one of the “kingpin” of the present crime of liquor scam.

87. Similarly, the contention regarding delay in arrest is also devoid of merit, inasmuch as the record clearly reflects that the Applicant was

enjoying interim protection from coercive action pursuant to orders of the Supreme Court, which continued until the dismissal of his petition and vacation of such protection. In these circumstances, the investigating agency cannot be faulted for not effecting the arrest during the subsistence of the said protection.

88. Equally untenable is the submission that the filing of the prosecution complaint shortly after the arrest of the Applicant renders the arrest unnecessary. The statutory scheme of Section 19 of the PMLA mandates that an arrest can be effected only when the authorized officer has reason to believe, on the basis of material in his possession, that the person concerned is guilty of the offence of money laundering. Therefore, the mere proximity in time between the arrest and the filing of the prosecution complaint cannot be construed as an indication that the arrest lacked justification.

89. This Court also cannot lose sight of the fact that the Applicant has undergone only a relatively brief period of custody, which by no stretch of imagination can be described as prolonged incarceration so as to justify the grant of bail on the touchstone of Article 21 of the Constitution. The Supreme Court has repeatedly held that the ground of delay in trial becomes relevant only where the accused has undergone an inordinately long period of incarceration coupled with the improbability of the trial concluding within a reasonable time, a situation which is clearly not attracted in the present case.

90. More importantly, the offence alleged against the Applicant falls within the domain of serious economic offences, which, as repeatedly observed by the Supreme Court, constitute a class apart and require a cautious and stringent approach in matters concerning bail. Economic offences involving abuse of public office and generation of illicit financial gains strike at the very root of public trust in governance and have far-reaching consequences on the economic and institutional integrity of the State.

91. A substantial argument has been advanced on behalf of the Applicant that **several other accused persons**, including officers of the Excise Department and other individuals allegedly connected with the liquor trade, have not been arrested by the Directorate of Enforcement and therefore the Applicant is entitled to be enlarged on bail on the ground of parity. It has been further contended that the prosecution complaint itself reflects that as many as **58 co-accused persons, including 29 Excise Department officials**, have been arraigned without arrest and were consequently released on bonds under Section 88 of the Code of Criminal Procedure. It has also been urged that certain persons allegedly involved in the liquor trade and described as key facilitators or beneficiaries have not been taken into custody, thereby demonstrating that the investigating agency has adopted a “pick and choose” approach while exercising its power of arrest.

This Court has given its thoughtful consideration to the aforesaid submission. However, the contention of parity raised on behalf of the Applicant does not merit acceptance.

92. It is trite law that parity cannot be claimed in a mechanical or automatic manner and the Court, while considering a plea of parity, is required to examine the individual role attributed to the accused, the nature of allegations against him, and the material available on record. Parity cannot be invoked merely on the ground that certain other accused persons have not been arrested or have been granted bail. The Apex Court in ***Central Bureau of Investigation v. V. Vijay Sai Reddy, (2013) 7 SCC 452*** has categorically held that the non-arrest of other accused persons cannot by itself constitute a valid ground for granting bail to another accused, particularly when the role attributed to such accused stands on a different footing. The principle of parity applies only where the role, circumstances and allegations against the accused seeking bail are substantially similar to those of the co-accused who have been granted bail.

93. In the present case, the material placed on record by the prosecution prima facie indicates that the Applicant was occupying the position of Excise Commissioner and Managing Director of the State Marketing Corporation during the relevant period, thereby holding the highest administrative authority within the Excise Department. The prosecution attributes to him a distinct supervisory and decision-making role in the alleged scheme, which allegedly enabled the operation of the illegal liquor syndicate and the consequent generation of proceeds of crime.

94. Thus, the role attributed to the Applicant cannot be equated with that of several other officers or individuals who are alleged to have

played different or comparatively limited roles in the overall scheme. The mere fact that certain other accused persons have been shown in the prosecution complaint without arrest cannot automatically entitle the Applicant to claim parity. Furthermore, the decision as to whether an accused is required to be arrested during investigation depends upon several factors, including the nature of allegations, the degree of involvement of the accused, and the requirement of custodial interrogation, and the investigating agency is vested with discretion in this regard. The non-exercise of the power of arrest in respect of certain other individuals cannot be treated as a determinative factor for granting bail to the Applicant.

95. In this context, it is also relevant to note that the Supreme Court has repeatedly observed that the principle of parity cannot override the statutory restrictions governing the grant of bail under special statutes, including the Prevention of Money Laundering Act. In view of the aforesaid circumstances, this Court is of the considered opinion that the **Applicant cannot claim the benefit of parity merely on the ground that certain other accused persons have not been arrested or have been arraigned in the prosecution complaint without arrest.** The argument of parity raised on behalf of the Applicant therefore does not advance his case for grant of bail.

96. In the backdrop of the aforesaid circumstances, and having regard to the material placed on record by the investigating agency, this Court is unable, at this stage, to record the satisfaction mandated under Section 45 of the PMLA that reasonable grounds exist for believing the

Applicant to be not guilty of the offences alleged. The Applicant, entrusted with a pivotal administrative post, owed a sacred duty under statute to mechanize and safeguard the state exchequer—yet, he stands accused of orchestrating a colossal loss running into crores, siphoning public funds through deliberate malfeasance. This egregious breach of fiduciary obligation, coupled with the gravity of the allegations, the pivotal role attributed to him, the nascent stage of investigation, and the voluminous material amassed by the prosecuting agency, renders the mandatory twin conditions under Section 45 wholly unsatisfied. In light of these compelling factors and the stringent statutory bar on bail under the PMLA, no exceptional circumstances have been demonstrated warranting the Applicant's enlargement at this juncture.

Accordingly, the present bail application, having failed to meet the exacting threshold under Section 45 of the PMLA, stands rejected.

97. It is, however, clarified that all observations recorded herein are strictly prima facie, arising solely from the material available at this interlocutory stage for the limited purpose of adjudicating bail. These shall not bind, influence, or prejudice the trial Court in any manner. The learned trial Court shall independently adjudicate the guilt or innocence of the Applicant, untrammelled (constraints) by the views expressed here, and solely on the basis of evidence led during trial, affording both sides a full opportunity to establish their respective cases.

(Arvind Kumar Verma)
Judge