

HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

CRIMINAL PETITION No.9701 of 2021

O R D E R:

This Criminal Petition under Sections 437 and 439 Cr.P.C. is filed by petitioner – Accused in ECIR No.ECIR/HYZO/22/2021 dated 2021 of Directorate of Enforcement, registered for the offence punishable under Section 3 of the Prevention of Money Laundering Act, 2002 (for short “PML Act”).

2. The case of the prosecution is that petitioner was summoned on 26.11.2021 and his statement was recorded at Delhi Zonal Office and he has admitted to have issued Form 15CB certificates. The quantum of remittances were clearly not in tune with the nature and conduct of Deepak Nayyar and his companies and he knew these were shell entities and took Rs.1,000/- to 1,500/- per certificate to issue bogus certificates. It is stated that these certificate were essential to send FOWR. Petitioner is not disclosing the role played by SBI staff in doing these remittances, which at first glance itself appear completely doubtful. It is further stated that petitioner has not verified the original business nor the Bills of Entry and the economic rationale of such large payments from paper entities and he is aware of the ultimate objective and further alleged that petitioner knowingly assisted the other accused persons in the offence of generation of proceeds of crime and its layering and concealment by remitting the same to obscure entities in Hong Kong and thus involved in the offence of money laundering, as such he is liable for punishment under Section 19 of PML Act.

3. Heard Sri L.Ravichander, learned senior counsel representing Sri Apurva M.Gokhale, learned counsel for petitioner and learned Assistant Public Prosecutor for respondent-State.

4. Learned senior counsel submits that petitioner is alleged to have committed the offence under Section 3 of PML Act. He submits that petitioner is Chartered Accountant and basing on the bank statements and other relevant material available before him, he has issued certificates. He submits that it is alleged that petitioner has not verified the original business nor the Bills of Entry and the economic rationale of such large payments from paper entities and he is aware of the ultimate objective and further alleged that petitioner knowingly assisted the other accused persons in the offence of generation of proceeds of crime and its layering and concealment by remitting the same to obscure entities in Hong Kong and thus involved in the offence of money laundering. He submits that it is the case of prosecution that petitioner is not disclosing the role played by SBI staff in doing these remittances which at first glance itself appear completely doubtful. Learned senior counsel submits that petitioner was arrested on 27.11.2021 and for more than 30 days, he is languishing in jail. He submits that ED authorities sought for custody of petitioner for five days and that is also completed and now detaining the petitioner in jail will not serve any purpose, as such his case may be considered for grant of bail.

5. *Per contra*, Sri B.Narasimha Sarma, learned Special Public Prosecutor for respondent submits that investigation is at prime stage and petitioner has played key role and all other accused are

absconding and at this stage, if the petitioner is enlarged on bail, it is the apprehension of prosecution that it is difficult for them to arrest the other accused. However, he does not dispute the fact that they sought custody of petitioner for 5 days and the same was completed. He submits that huge scam of 1700 crores involved in this crime, as such the petitioner is not entitled for grant of bail.

6. Admittedly, petitioner was arrested on 27.11.2021 and custody of petitioner was also sought for five days and the only allegation against the petitioner is that being a Chartered Accountant, without verifying the Bills of Entry and economic rationale of such large payments from paper entities had issued the certificates. Admittedly, as of now the other accused are not arrested and the contention of learned Special Public Prosecutor that till such time, petitioner shall not be released from jail is not justifiable, because of the fact that custody of petitioner was already sought and no purpose will be served by detaining the petitioner in jail. Hence, this Court deems it appropriate to grant bail to the petitioner, however on certain conditions.

7. Accordingly, this Criminal Petition is allowed. Petitioner / Accused shall be enlarged on bail on his executing a personal bond for a sum of Rs.20,000/- (Rupees twenty thousand only) with two sureties for a like sum each to the satisfaction of the Metropolitan Sessions Judge, Nampally, Hyderabad. On such release, petitioner shall not leave Hyderabad until further orders. He shall appear before the Directorate of Enforcement once in a month between 10.00 a.m. and 2.00 p.m. He shall cooperate with investigation and shall appear before the Directorate of Enforcement whenever

his presence is required. The Directorate of Enforcement authorities shall issue advance notice to petitioner, whenever his presence is required.

LALITHA KANNEGANTI, J

29th December 2021

PVD

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Allowed

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