IN THE COURT OF MS. SUNENA SHARMA : SPECIAL JUDGE (PC ACT) (CBI-20) : ROUSE AVENUE COURT COMPLEX : NEW DELHI

ECIR/04/DLZO/2016
ED vs. Sanjeev Dixit @ Sanjay Sharma & Ors.
CT. NO. 06/2021
CNR No. DLCT11-000121-2021

04.06.2025

<u>ORDER ON CHARGE</u>

1. Vide this order, I shall decide if the charge of the alleged offences is made out against the accused arrayed in the instant complaint filed by ED. This complaint has been filed under section 44 & 45 of Prevention of Money Laundering Act, 2002 (hereinafter referred as 'the Act' or 'PMLA'), for the commission of offence defined under Section 3 and punishable under Section 4 of PMLA. The complaint was filed on 22.03.2021 against 06 accused namely Sh. Sanjeev Dixit @ Sanjay Sharma (A-1); Sh. Nrapendra Singh Parihar @ N.S.Parihar (A-2); Sh. Rahul Sharma (A-3), Sh. Rajeev Sharma (A-4), Sh. Ranjiv Suneja (A-5) and Smt. Kulwinder Kaur Johar @ K.K.Johar (A-6).

2. As per record, the accused Sanjeev Dixit (A-1) was declared PO vide order dated 20.11.2021. Vide order dated 07.02.2024, Sh. Rahul Sharma (A-3), Sh. Rajeev Sharma (A-4) have conceded the charge alleged against them. In view thereof, this court is now required to consider the charge only qua 03 accused namely, Sh. Nrapendra Singh Parihar @ N.S.Parihar (A-2), the empaneled advocate of Punjab National Bank, Jor Bagh, New Delhi and Sh. Ranjiv Suneja (A-5) and

Smt. Kulwinder Kaur Johar @ K.K.Johar (A-6), who were the Senior Manager and Chief Manager respectively of said Branch of PNB at the relevant time.

3. The present complaint is the offshoot of RC BD1/2013/E/0006 dated 11.07.2013 registered by CBI under Section 120-B read with Section 420,467,468 & 471 of IPC and substantive offences thereof. The FIR was lodged on the basis of complaint dated 19.06.2013, made by Sh. C.P.Garg, Chief Manager, Punjab National Bank, Jor Bagh, New Delhi against the accused named therein for having caused wrongful loss of Rs. 4 crore to Punjab National Bank, Jorbag, New Delhi. After completion of investigation, CBI filed the chargesheet on 17.07.2014 for the aforementioned offences of IPC and Section 13(2) r/w Section 13(1)(d) of Prevention of Corruption Act, 1988 (hereinafter also referred as PC Act). The said CBI case for predicate offences is also pending before this court and currently, it is at the stage of defence evidence and all the accused arrayed herein except the accused A-1, who was declared PO, are facing trial.

4. Pursuant to the aforementioned FIR registered by CBI, ED also registered a case vide ECIR No. ECIR/04/DZ/2016 dated 09.08.2016, for the offence of money laundering under PMLA (as amended), and the same has now culminated into present complaint.

Brief facts of investigation of predicate offences conducted by CBI

5. Briefly stated, the facts are that on 02.03.2011, Sanjeev Dixit, S/o Hari Shankar Dixit, R/o 232, Jagriti Enclave, having his office at 121, FIE, Patparganj Industrial Area

approached the PNB, Jorbagh Branch, New Delhi, for grant of credit facility for his business of manufacturing sanitary goods. The bank vide sanction letter dated 29.03.2011 granted the limit of Rs.400 lakh by opening a Loan Account No. 0175008700000385. Besides executing the loan documents, following four properties were mortgaged with the bank as collateral security for the loan :-

(a) Sanjay Sharma, proprietor of M/s Super Machines R/o 17B, Shri Ram Nagar, Shahdara, Delhi mortgaged his immovable property admeasuring 700 sq. yards situated at industrial plot no. 25, Shyam Industrial Area, Village Banthla, Loni, Ghaziabad, U.P by depositing the Sale Deed executed by Harbans Lal Sharma registered with the office of Sub-Registrar IV, Ghaziabad on 04.06.2008.

(b) Smt. Indra Rani W/o Yagya Dutt Sharma, R/o 198/2, Gali No.11, Bhola Nath Nagar, Delhi mortgaged her built up immovable property admeasuring 65 sq. yards situated at No. 17B, Khasra No. 423, Shri Ram Nagar, G T Road, Shahdara by depositing a Sale Deed executed by Smt. Simla Rani in her favour registered with the office of Sub-Registrar IV, Delhi on 04.10.1999.

(c) Sanjeev Dixit mortgaged his residential property admeasuring 341.40 sq. meters C193, IIIrd Floor, Vivek Vihar, Phase-I, Delhi by depositing a sale deed executed by R K Manchanda in his favour registered with the office of Sub-Registrar VIII, Delhi on 31.01.2011.

(d) Sanjeev Dixit also mortgaged his industrial property no. 121, FIE, Patparganj Industrial Area, Delhi-92 by depositing a Sale Deed executed by Ramji Lal

Chawla in his favour registered with Sub-Registrar VIII Delhi on 25.05.2011.

6. Sanjeev Dixit defaulted in repayment of loan. The bank initiated the action under SARFAESI Act, 2002 and served notices to sell the above properties through publication. During verification of the title deeds of the above properties, following facts emerged:

(i) In the on spot verification of property at Shyam Industrial Area, Loni, Ghaziabad, it was found that notices of several other banks were pasted and the physical possession of the property had already been taken by Syndicate Bank, Nirman Vihar branch, Delhi against the loan account of Shyam Enterprises. It was found that multiple title deeds of the property were in circulation and the property was also mortgaged with the other banks.

(ii) The title deed of the property no. 17B, Shri Ram Nagar, G T Road, Shahdara as per the report of the Panel Advocate was not found genuine. Upon on spot verification, it was found locked. On enquiry, it was found that number of notices were pasted on the property by several other banks. It was found that multiple title deeds of the property were in circulation and the property was mortgaged with the other banks also.

(iii) Regarding property No. C193, III Floor, Vivek Vihar, Phase-I, it was informed by Sub-Registrar VIII that the Sale Deed was forged and fabricated. On spot verification revealed that the property belonged to some other person.

(iv) The title deeds of the property no. 121, FIE, Patparganj Industrial Area was found fake and forged as the said property was not registered with the office of Sub-Registrar VIII. On spot verification revealed that the said property also belonged to some other person.

7. As per the terms of loan, Sanjeev Dixit was bound to deposit the sale proceeds of the stocks hypothecated with the bank but he did not do so and misappropriated the funds. Sanjeev Dixit dishonestly submitted the self attested photocopies of forged/false documents to the bank to avail the cash credit limit i.e. forged/false Voter I cards in the name of Sanjeev Dixit, Smt. Indra Rani and Sanjay Sharma, forged/false PAN cards in the name of Sanjeev Dixit and Sanjay Sharma and forged/false electricity bills and water bills in the name of Sanjeev Dixit, forged/false Form No P2- 000652 dated 28.02.2011 purportedly issued by the office of Commissioner of Industries, Government of NCT of Delhi and forged/false TIN No. 07511326352 dated 07.05.2008 purportedly issued by Department of Trade and Taxes, Govt. of NCT of Delhi in the name of Shankar Metals, forged/false account statements of Account No. 2867201000038 purportedly in the name of M/s Shankar Metals maintained with Canara Bank, Rajinder Nagar, Ghaziabad, U.P., forged/false audit reports, profit and loss account, balance sheets of M/s Shankar Metals for the year 2008, 2009, 2010 purportedly audited by Sukhdev Madnani, CA and for the year 2011 purportedly audited by Prem Mishra, CA and forged/false Sale Deeds of the above four immovable properties offered as collateral securities.

8. Investigation revealed that Sanjeev Dixit dishonestly concealed previous loans availed by him from the other banks while applying for CC limit from Punjab National Bank, Jor Bagh branch. In June, 2010, he had availed CC Limit of Rs.2.8 crores from Allahabad Bank, Vasundhara, Ghaziabad, U.P as proprietor of Golden Tap Sanitation which was declared NPA. The bank had initiated the recovery proceedings in DRT and it was found that the property No. 232 Jagriti Enclave which was mortgaged as collateral security was not genuine. In October, 2010, he availed the car loan of Rs.37.5 lakh from Canara Bank, Karkardooma which was also declared as NPA and the recovery suit was pending in DRT-III. Investigation further revealed that Jitender Singh, who represented himself as Sanjay Sharma and unknown lady who represented herself as Smt. Indra Rani had stood guarantors in CC account of M/s Shankar Metals.

9. Investigation also revealed that after sanction of CC Limit, a false list of debtor firms of M/s Shankar Metals was submitted by Sanjeev Dixit for disbursement of loan amount. He diverted all the funds from the CC account of M/s Shankar Metals either by cash withdrawal or by transferring the amount in the other bank accounts of the firms which were either owned by him or by his close relatives i.e. Rahul Sharma, brother-in-law; Sandeep Jha, Associate; Sanjay Sharma, guarantor; Sheetal Sharma, sister-in-law; Rajiv Sharma, brother-in-law; Rajiv Katara, brother-in-law; Rahul Mudgal, brother-in-law and Jitender Singh who impersonated himself as Sanjay Sharma. To show the business transactions in the CC account, he fraudulently credited some amount in this account.

10. Investigation also revealed that in the account opening form of M/s Ganesh Enterprises in Canara Bank, Karkardooma, Ms. Sheetal Sharma was mentioned as proprietor but the photograph affixed thereon was of Arti Sharma, sister-in-law of Sanjeev Dixit bearing the address at 232 Jagriti Enclave, Delhi, address of Sanjeev Dixit. In the account opening form of M/s Ganesh Enterprises in Punjab National Bank, Shahdara, Rajiv Sharma was mentioned as proprietor with address 17-B Shri Ram Nagar, G T Road, Shahdara i.e. the property which was mortgaged as collateral security for CC Limit. In account opening form of M/s Katara Metals, in Canara Bank, Karkardooma, Delhi, Rajiv Katara was mentioned as proprietor but the photograph affixed thereon was of Rajiv Sharma with the address 232 Jagriti Enclave, Delhi. In the account opening form of M/s Paras Metals, in Allahabad Bank, Vasundhara, Ghaziabad, U.P, Rahul Mudgal was mentioned as proprietor but the photograph affixed thereon was of Rahul Sharma with the address 5/1234, Ground Floor Vasundhara, Ghaziabad UP, the property which was mortgaged as collateral security with the bank. In the account opening form of M/s Rajdhani Traders, in Canara Bank Karkardooma, Jitender Singh was mentioned as proprietor but this person represented himself as Sanjay Sharma, owner of property i.e. 25, Shyam Industrial Area, Loni which was offered as collateral security with the complainant bank.

11. Investigation further revealed that Sanjeev Dixit had already offered the property no. C-193, IIIrd Floor, Vivek Vihar as collateral security while availing CC Limit of Rs.3.5 crores from Punjab National Bank, Nehru Nagar, Ghaziabad, in favour of M/s Golden Tap Industries on 26.05.2011 account of

which had already become NPA with Rs.3.59 crores as outstanding. Sanjeev dixit representing himself as Sanjay Sharma in 2008 had offered 25, Shyam Industrial Estate, Loni, Ghaziabad as collateral security while availing CC Limit of Rs.90 lakh from Syndicate Bank, Nirman Vihar, New Delhi in favour of M/s Sree Sai Satyam Enterprises through its partners Sanjay Sharma @ Sanjeev Dixit, Reena Sharma and Rajiv Sharma, account of which was also declared as NPA with Rs.1.25 crores as outstanding. The said property is presently in possession of Syndicate Bank.

12. Investigation further revealed that Sanjeev Dixit was involved in number of cases registered vide FIR No. 217/12, P.S Anand Vihar, Delhi, 260/13, PS Anand Vihar, Delhi, 49/13, PS Vivek Vihar, Delhi, 86/13 P.S Preet Vihar, Delhi, RC No. 1202/013A00/3/2013 CBI ACP Ghaziabad, 212/13 PS Kundli, Sonepat and 213/13 PS Kundli, Sonepat for defrauding the banks.

13. During investigation, the involvement of panel advocate N. S. Parihar and the bank officials of Punjab National Bank, Jor Bagh branch also emerged. It was found that N S. Parihar, advocate, who was on the panel of the bank, submitted a false verification report (non encumbrance certificate) to the bank in respect of immovable properties which were offered as collateral securities by the accused Sanjeev Dixit. He deliberately mentioned that Smt. Indra Rani has a clear valid and marketable title over the property which she offered as collateral security but, the investigation revealed that as per the Sub-Registrar office record, she had already sold the property in the year 2003. He did not report to

the bank that the photographs of the guarantor Smt. Indra Rani affixed on the property/loan papers given to the bank were different from that affixed in the record of the Sub-Registrar office. In his Legal Search Report of property no. 121, FIE, Patparganj Industrial Area vide dated 22.06.2011, he dishonestly mentioned that Sanjeev Dixit had clear, valid and marketable title but the investigation revealed that the property was never owned by Sanjeev Dixit as per the Sub-Registrar office record. N. S. Parihar is also an accused alongwith Sanjeev Dixit in other cases of bank fraud i.e. RC No. 1202/013A00/3/2013 CBI ACP Ghaziabad, 212/13 PS Kundli, Sonepat and 213/13 PS Kundli, Sonepat.

14. Accused Ranjiv Suneja while functioning as Senior Manager in the bank in conspiracy with Smt. K. K. Johar and other accused persons dishonestly appraised and recommended the limit of Rs.4.0 crores to M/s Shankar Metals and same was dishonestly sanctioned by Smt. K. K. Johar while she was working as Chief Manager and the banking procedure was violated by them in the following manner:-

(a) They did not verify the Voter I Cards and PAN Cards of the borrower/Guarantors from the website of the Chief Election Officer/Income Tax Department.

(b) They did not collect and verify the documents/certificates issued by the Government Departments to ascertain the existence and ownership of firms before opening the account.

(c) They did not verify the membership of the Chartered Accountants from the website of ICAI.

(d) They did not verify the past conduct of the borrower's account from the previous bank i.e. Canara Bank, Karkardooma, Delhi.

(e) They did not ascertain the credit worthiness of the firm/proprietor/guarantor from CIBIL before sanctioning the loan. The credit information report of M/s Shankar Metals from CIBIL was of dated 05.11.2011 while the loan was sanctioned on 29.03.2011. No credit information reports in respect of guarantors were extracted from CIBIL. Suspicious features in the CIBIL report were deliberately overlooked by them as the report dated 04.03.2011 of the accused Sanjeev Dixit disclosed "Enquiry about Auto Loan of Rs.5,00,000/-, two more PAN i.e. AITPD0089M & ASDPD7032N, two more Date of Birth i.e. 10.07.1973 and 01.01.1973 with the same Voter ID Card No.DL/04/043/171289 and the same address i.e. 232, Jagriti Enclave, Delhi".

(f) They did not communicate with the owners of the properties which were kept as collateral securities through registered letters to confirm proof of residence and their willingness to offer the properties as collateral. They did not obtain the certified copy of the registered title deeds from the counsel to compare the contents, registration particulars and photographs of the title deeds with the original title deeds. Further, they did not examine the change of title and opening of bank account nor verified the antecedents of the intending mortgagor to mitigate the chances of impersonation.

(g) They deliberately and dishonestly accepted incomplete NEC/Legal Search Reports of the properties at Loni, Ghaziabad and Vivek Vihar Delhi, prepared by N. S. Parihar without obtaining the certified copies of the title deeds from the Sub-Registrar office. It was clearly mentioned in the NEC/Legal Search Report that "Applied for certified copy. Same is yet to be received."

(h) The valuation reports of three properties were submitted by Naveen Kamboj, Approved Valuer on 24.03.2011 and the report of property No. 5/1234 (GF and FF), M11 Vasundhara Ghaziabad was submitted by M. L. Nasa, Valuer on 13.05.2011 while the loan was sanctioned on 29.03.2011.

(i) Independent spot verification of the firm/godown/showroom and residence of the borrower and guarantor was not done to verify the assets and liabilities shown and no report regarding the ownership of the properties/past conduct was collected. Investigation revealed that the confidential report of Sanjeev Dixit and M/s Shankar Metals were dishonestly prepared by them on 22.03.2011 without mentioning anything in the column of "Enjoying facilities in other banks" while in the CIBIL report of Sanjeev Dixit dated 04.03.2011, enquiries about auto loan of Rs.5.0 lakh was mentioned. It was mentioned in the confidential report that the property at C-193 Vivek Vihar owned by Sanjeev Dixit was visited by Smt. K. K. Johar on 08.03.2011 but, the Movement Register of Punjab National Bank does not show any entry of 08.03.2011.

(j) Confidential Report of Sanjay Sharma was dishonestly prepared by them on 22.03.2011 mentioning his address as 414, Shakar Pur Delhi but this premises was never visited by them as per record/Movement Register. As per the CR, property i.e. Plot No. 25, Shyam Industrial Estate was visited by Smt. K. K. Johar on 08.03.2011 but the Movement Register does not show any such entry for 08.03.2011. In the report, it is mentioned that Sanjeev Rana, Plot No. 56, Shyam Industrial Estate, Loni has reported that Sanjay Sharma is honest and he bears a good reputation in the market but Sanjeev Rana denied having said the same. In the report, it is mentioned that Mr Sharan Beer Choudhary who has business of batteries has reported that Sanjay Sharma lives at 414 Shakar Pur and has means of about Rs.70-75 lakh but Sharan Beer Choudhary has stated that no lady officer came to him for enquiry about Sanjay Sharma.

(k) Confidential report dated 22.03.2011 of the guarantor Indra was dishonestly prepared mentioning her address as 158/2, Gali No. 11, Bhola Nath Nagar but the record/movement register shows that this premises was never visited by them. As per the CR, property at 17B, Shri Ram Nagar, G T Road, Shahdara was visited by Smt. K. K. Johar on 08.03.2011 but, the movement register does not show any such entry for 08.03.2011. In the report, it is mentioned that M/s Moolchand & Co. has reported that Smt. Indra Rani has property of about Rs.50 lakh but Moolchand who lives in the locality of Smt. Indra Rani has stated that he does not have any firm namely M/s Moolchand & Co. in the locality nor any officer from the bank ever came to him to enquire about Smt. Indra Rani.

(l) Confidential report dated 22.03.2011 of Rajesh Aggarwal, who purportedly sold out his property at 5/1234, M11 Vasundhara, Ghaziabad to Sanjeev Dixit was also prepared dishonestly mentioning that Smt. K.K. Johar had visited said property but the movement register does not show any such entry for 08.03.2011. The loan was sanctioned without taking legal search report of the above property from the empaneled lawyer as the report is of 16.05.2011 and the loan was sanctioned on 29.03.2011.

(m) Inventory/stock statements were not collected to check the security physically with the books of the borrowers. As per DP register, stock statement for the month of December, 2011 and January, 2012 were not submitted by the borrower and the stock was not inspected by the bank officials for the period of May, 2011, October, 2011, December, 2011, January, 2012 and April 2012. As per stock statement as on 30.06.2011, 31.07.2011, 30.09.2011, 30.11.2011 and 31.03.2012, the stock was claimed to be inspected by Smt. K. K. Johar on 06.07.2011, 14.08.2011, 20.10.2011, 15.12.2011 and 17.04.2012 respectively but the movement register does not show the entries for these dates.

(n) The funds were deliberately and dishonestly allowed to be diverted by them in the bank accounts of the firms which were either owned by accused Sanjeev Dixit or his close relatives/associates who did not have any business transactions with M/s Shankar Metals.

(o) As stated by Vijay Goel who prepared the

CMA/financial data for M/s Shankar Metals Smt. K. K. Johar was given one per cent of the loan amount as bribe to sanction the loan.

(p) After the sanction of the loan, they dishonestly replaced the collateral security i.e. property no. 5/1234 (GF & FF), M-11, Vasundhara, Ghaziabad U.P with the property No. 121, FIE, Patparganj Industrial Area, Delhi on 25.06.2011, without receiving the valuation report of the new property.

15. The internal concurrent audit conducted by the bank dated 25.10.2013 also revealed that the bank officials were liable for this fraud as the loan was appraised, sanctioned and disbursed without following the guidelines of the bank. Investigation further revealed that Rahul Sharma managed to open bogus bank account in the name of M/s Paras Metals and helped the accused Sanjeev Dixit to divert the funds from the loan account of M/s Shankar Metals in the account of M/s Paras Metals. The CFSL report confirmed that the signatures of Rahul Mudgal in the account opening form were of Rahul Sharma. Similarly, Rajiv Sharma who had an account in the name of M/s Ganesh Enterprises helped Sanjeev Dixit to divert the funds from the loan account of M/s Shankar Metals in the account of M/s Ganesh Enterprises.

16. Investigation revealed that as per the loan documents, Sanjay Sharma was the guarantor of the loan but on the loan documents, photograph of Jitender Singh was pasted as Sanjay Sharma. Forged Sale Deed of property no. 25, Shyam Industrial Area, Loni, Ghaziabad was submitted on behalf of guarantor as collateral security. Jitender Singh was

the owner of the bank account in the name of M/s Rajdhani Traders maintained in Canara Bank, Karkardooma through which the funds were diverted from the loan account of M/s Shankar Metals.

17. Investigation revealed that Smt. Indra Rani was not the guarantor of this loan as the CFSL report confirmed that the signatures on the loan documents are not attributable to her and she had already sold the property no. 17B, Shri Ram Nagar, G T Road, Shahdara in the year 2003. As per the loan documents, Smt. Indra Rani was the guarantor of this loan but the photograph of some other lady was affixed as Smt Indra Rani on the loan documents. Forged sale deed of property no. 17B, Shri Ram Nagar, G T Road, Shahdara was submitted on behalf of the guarantor as collateral security to the bank.

18. After the investigation of predicate offences, the chargesheet was filed by CBI before this court on 17.07.2014, wherein, the accused arrayed herein were also chargesheeted and vide order dated 26.09.2018, formal charge for the offences punishable u/s 120-B r/w 419/420/467/468/471 IPC with section 13(2) r/w 13(1)(d) of the Prevention of Corruption Act, 1988 was framed against all the said accused except accused Sanjeev Dixit, who was declared P.O. vide order dated 30.10.2017. Against public servants Ranjiv Suneja and Smt. K.K.Johar (arrayed herein as A-5 and A-6), charge for the substantive offence punishable under section 13(2) r/w 13(1)(d) of PC Act and Section 420 IPC r/w Section 120-B was additionally framed. While against accused N.S.Parihar, Rahul Sharma and Rajeev Sharma (arrayed as A-2 to A-4 herein), charge for the substantive offence of Section 420 r/w 120-B

IPC and against accused N.S.Parihar charge for the substantive offence of 468 r/w 120-B IPC were also framed separately.

Brief summary of the investigation under Prevention of Money Laundering Act, 2002.

19. Since the offences under Section 420/467/471 IPC and 13(1)(d) of PC Act, of FIR RC BD1/2013/E/0006 dated 11.07.2013 were the Schedule Offences as per the Act, an ECIR/04/DZ/2016 (RUD No. 13) was registered by ED on 09.08.2016 for the commission of offence of money laundering under Section 3 r/w Section 4 of the Act (as amended). During investigation, various documents such as aforementioned FIR of predicate offences and the charge-sheet filed therein by the CBI, were examined and it was revealed that Sh. Sanjeev Dixit, proprietor of M/s. Shankar Metals situated at 121, FIE Patparganj Industrial Area, Delhi submitted a loan proposal request dated 16.03.2011, enclosing PNB's Loan Application Form signed by Sh. Sanjeev Dixit on 02.03.2011 and other supporting document to PNB, Jorbagh, Delhi for availing Cash Credit limit and alongwith the said loan proposal, he deliberately and dishonestly offered forged/false documents with the intention to cheat the bank and subsequently, cheated the bank to the tune of more than Rs.4 crores taken in the form of Cash credit facility on the basis of forged and fabricated documents. Moreover, investigation revealed M/s. Shankar Metals was a fake entity carrying no business activity.

20. During the course of investigation, it was revealed that Sanjeev Dixit opened the Bank Accounts in the name of M/s Diya Sanitation, M/s Jagdamba Metals, M/s Future Tap Sanitation, M/s Sanya Enterprises, M/s Shree Balaji Enterprises,

M/s Ganesh Enterprises, M/s Katara Metals, M/s Paras Metals and M/s Rajdhani Traders by using forged identities either in his name or in the name of his associates or relatives. These accounts were opened only for the purpose of laundering money from these accounts and showing them as business transactions. It was further revealed that accused Sanjeev Dixit had withdrawn huge amounts in cash in his name or in the name of his associates and relatives either directly from the account of M/s. Shankar Metals or from other companies after transferring the same to their accounts. During the course of investigation under PMLA, it has been revealed that accused Shri Sanjeev Dixit has transferred or debited amounts from the loan account No.-0175008700000385 of M/s. Shankar Metals (RUD No. 14) as per the table given at page no. 29 of the complaint.

21. It has been revealed from the Account statements of M/s. Shankar Metal that Shri Sanjeev Dixit has laundered money from M/s. Shankar Metals to the above-mentioned entities only to project the same as business transactions and thereafter, debited the same in cash. Sanjeev Dixit made major transactions with the companies opened either in his or his associates or relatives names, majority of which were opened on the basis of forged documents. The money after being laundered through the accounts was withdrawn in cash either from the account of M/s. Shankar Metals or from the accounts of other companies as mentioned in the tabular form at page no. 32 to 36 of the complaint.

22. Investigation revealed that the accused Sh. Sanjeev Dixit was in criminal conspiracy and in active

connivance with Bank officials Sh. Ranjiv Suneja and Smt. Kulwinder Kaur Johar, Shri Rajeev Sharma, Shri Rahul Sharma and Shri Nrapendra Singh Parihar, who have directly indulged and knowingly assisted him in the process of possession, acquisitions, use and projecting the proceeds of crime as untainted property, and thereby, they have committed an offence of money laundering as defined under section 3 of the PMLA, 2002.

23. It was further revealed that the Account No. 3333201000072 in the name of M/s. Diya Sanitation, Account No. 3333201000073 in the name of M/s. Sanya Enterprises, Account No. 3333261000006 in the name of M/s. Shree Balaji Enterprises, Account No. 3333261000003 in the name of M/s. Ganesh Enterprises, Account No. 3333261000039 in the name of M/s. Katara Metals, Account No. 3333201000074 in the name of M/s. Rajdhani Traders, Account No. 50070133956 in the name of M/s. Jagdamba Metals, Account No. 50032673386 in the name of M/s. Future Tap Sanitation, Account No. 50070477091 in the name of M/s. Paras Metals, Account No. 0125002100707463 in the name of M/s. Ganesh Enterprises were used for placement of the proceeds of crime by Sanjeev Dixit.

24. Investigation also revealed that Shri Sanjeev Dixit in active connivance of the bank officials of Punjab National Bank, Jorbagh, New Delhi, offered forged documents for availing the cash credit facility limit of total Rs. 04 crores from said Bank. After getting the loan sanctioned from the Bank, Shri Sanjeev Dixit with the help of Shri Rahul Sharma, Shri Rajeev Sharma and Shri Jitender Singh siphoned off and

rotated the funds through various companies i.e. M/s. Diya Sanitation, M/s. Sanya Enterprises, M/s. Shree Balaji Enterprises, M/s. Ganesh Enterprises, M/s. Katara Metals, M/s. Rajdhani Traders, M/s. Jagdamba Metals, M/s. Future Tap Sanitation, M/s. Paras Metals, and M/s. Ganesh Enterprises, which were either in the name of Sanjeev Dixit or his relatives and associates namely, Shri Sanjay Sharma, Ms. Sheetal Sharma, Sh Rajeev Katara, Sh Rahul Mudgal, Sh Rahul Sharma, Sh Rajeev Sharma and Sh Jitender Singh. Through the bank accounts in the name of these entities, which were opened on the basis of forged and fabricated documents, the borrower laundered the amount of cash credit facility limit and caused a wrongful loss of more than Rs. 4 crores to the bank. Sh.Sanjeev Dixit and his associates are stated to be still in possession of the proceeds of crime.

25. It is also revealed that Shri Sanjeev Dixit has either debited the amount in cash or paid in the name of Sachin Mishra, Sandeep Jha, Rahul Sharma, Sanjay Sharma and himself to the tune of Rs. 1,27,06,800/- as detailed Table-A in Para no. 10.4 of the complaint or has transferred money from the loan account number 0175008700000385 of M/s. Shankar Metals maintained with Punjab National Bank, Jor Bagh, New Delhi to bank accounts of different firms as detailed in Table-B of Para no. 10.4. Joint accounts were opened in the name of his associates only to claim it as genuine business transactions, however, it was done only to launder the money through said firms. The proceeds of the crime during the course of laundering from various firms were debited in cash or transferred from the loan account of M/s Shankar Metals through these firms so that all the transactions appear as if

done for business activities.

26. The complaint also mentions the specific roles attributed to each of the accused in the commission of offence of money laundering as under:-

(a) Sanjeev Dixit, Proprietor of M/s. Shankar Metals (PO) : He submitted loan proposal request dated 16.03.2011, enclosing PNB's Loan Application Form signed by Shri Sanjeev Dixit on 02.03.2011 and other supporting document to PNB, Jorbagh, Delhi for availing Cash Credit limit. Along-with the said loan proposal, he deliberately & dishonestly offered forged/false documents with the intention to cheat the bank to the tune of Rs. 04 crores by transferring the loan amounts to various entities in the name of his relatives and associates so that to represent the transactions as genuine. However, the intention to open the bank accounts in the name of these entities was only to launder the proceeds of crime from these accounts. In this way, accused Sanjeev Dixit was directly involved in the process and activity connected to possession, concealment, acquisition and use of the proceeds of crime and projecting it and claiming it to be an untainted property.

(b) Nrapendra Singh Parihar, Advocate:- while functioning as Advocate on the panel of Punjab National Bank, Jor Bag, Delhi, Nrapendra Singh Parihar, Advocate in conspiracy with other co-accused, deliberately & dishonestly submitted false legal verification reports i.e. NEC (Non Encumbrance Certificate) to the bank in respect of immovable properties which were offered as collateral security on behalf of accused borrower Sh. Sanjeev Dixit, which led to sanctioning of the said Cash Credit Limit of Rs. 4 crore to M/s. Shankar Metals-proprietor Sanjeev Dixit on 29.03.2011 and thereby causing wrongful loss of Rs. 4 crores to Punjab National Bank, Jor Bagh, Delhi, deliberately & dishonestly

(c) Rahul Sharma (brother-in-law of accused borrower Sanjeev Dixit @ Sanjay Sharma):- He had opened bogus bank account in the name of M/s Paras Metals proprietor Rahul Mudgal (maintained in Allahabad Bank, Vasundhra, Ghaziabad) and M/s Shree Balaji Enterprises and helped accused borrower Sanjeev Dixit to divert the fund from the loan account of M/s Shankar Metals, PNB, Jor Bagh, Delhi in the account of M/s Paras Metals and M/s Shree Balaji Enterprises. Shri Rahul Sharma has also withdrawn cash and signed the cheques books for withdrawal of proceeds of crime from the account of M/s Shankar Metals on behalf of Shri Sanjeev Dixit. Shri Rahul Sharma has thus knowingly assisted Shri Sanjeev Dixit and is actually involved in the process and activity connected to possession, concealment, acquisition and use of the proceeds of crime and projecting it and claiming it is an untainted property despite knowing fully well that the documents, bank accounts, companies and business was bogus in nature and was a fraud played on the Punjab national Bank.

(d) Rajeev Sharma (relative of accused borrower Sanjeev Dixit @ Sanjay Sharma):- He had a bank account in the name of M/s Ganesh Enterprises (maintained in PNB, Shree Ram Nagar, Shahdara, Delhi). Sh. Rajeev Sharma deliberately & dishonestly helped accused borrower Shri. Sanjeev Dixit to divert the fund from the loan account of M/s Shankar Metals, PNB, Jor Bagh, Delhi in the account of M/s

Ganesh Enterprises. Shri. Rajeev Sharma has assisted Shri. Sanjeev Dixit in creating the forged sale deed of the property he had taken on rent. Shri. Rajeev Sharma has thus knowingly assisted Shri Sanjeev Dixit and is actually involved in the process and activity connected to possession, concealment, acquisition and use of the proceeds of crime and projecting it and claiming it is an untainted property despite being aware of the fraud and being a party of it knowingly.

(e) Sh. Ranjiv Suneja, while functioning as Senior Manager in Punjab National Bank, Jor Bagh, Delhi in conspiracy with Smt. Kulwinder Kaur Johar and private accused persons, deliberately appraised and recommended the Cash Credit Limit of Rs. 4 crores to M/s Shankar Metals (prop. Sh. Sanjeev Dixit) by a series of illegal acts and omissions. After the sanction of loan, Sh. Ranjiv Suneja dishonestly & fraudulently replaced the collateral security i.e. property No. 5/1234 (GF & FF), M-11, Vasundhra, Ghaziabad, UP with the property No. 121, FIE, Patparganj Industrial Area, Delhi on 25.06.2011 without receiving the Valuation Report of this new property. Hence, Shri Ranjiv Suneja has knowingly assisted Shri Sanjeev Dixit and is actually involved in the process and activity connected to possession, concealment, acquisition and use of the proceeds of crime and projecting it and claiming it is an untainted property.

(f) Smt. Kulwinder Kaur Johar while functioning as Chief Manager in Punjab National Bank, Jor Bag, Delhi, in conspiracy with Ranjiv Suneja and private accused persons, deliberately & dishonestly appraised and recommended the Cash Credit Limit of Rs. 4 crore to M/s Shankar Metals (proprietor Sanjeev Dixit) by a series of illegal acts and omissions and Ranjiv Suneja while functioning as senior Manager in Punjab National Bank, Jor Bagh, Delhi, deliberately & dishonestly sanctioned the said Cash Credit Limit of Rs. 4 crore to M/s Shankar Metals-proprietor Sanjeev Dixit on 29.03.2011 by the series of illegal acts and omissions. After the sanction of loan, Smt. Kulwinder kaur Johar dishonestly & fraudulently replaced the collateral security i.e. property No. 5/1234 (GF & FF), M-11, Vasundhra, Ghaziabad, UP with the property No. 121, FIE, Patparganj Industrial Area, Delhi on 25.06.2011 without receiving the Valuation Report of this new property. Hence, Smt. Kulwinder Kaur Johar has knowingly assisted Shri Sanjeev Dixit and she was actually involved in the process and activity connected to acquisition of proceeds of crime.

27. I have given my thoughtful consideration to the rival contentions raised by Ld defence counsels for the accused and Ld Sr.PP for ED. Entire material on record i.e the instant complaint, the documents filed in support thereof, including the statement recorded under section 50 of PMLA and the copy of the chargesheet filed by CBI in RC BD1/2013/E/0006 dated 11.07.2013, has also been carefully perused.

Arguments on behalf of accused Nrapendra Singh Parihar (A-2)

28. Ld. Counsel Sh. C.Shekher Malhotra behalf of accused N.S. Parihar, has raised the argument that in a case under PMLA, the charges can be framed only if a person is found guilty of the Scheduled Offences, or if he has dealt with the proceeds of crime. Whereas, the case arising out of the chargesheet of RC BD1/2013/E/0006 dated 11.07.2013 is yet

to be decided by this court. It is further argued that in the instant case, it has been alleged against A-2 that he had given an opinion about the properties, which were proposed by the borrower/guarantor to be mortgaged with the bank. But, merely on basis that opinion, neither the loan can be sanctioned nor disbursed. Even regarding the acceptability of the property as a security, the bank, before sanctioning and disbursing the funds had to conduct certain verification at its end for ascertaining the credibility of the borrower/guarantor by physically inspecting the property offered for mortgage as per mandatory bank procedures. It is further submitted that in **CBI vs. Narayana Rao (2012) 9 SCC 512** and in the case of **Sudhir Kumar vs. CBI, Manu/DE/0890/2023**, it has been held by the Hon'ble Supreme Court and Delhi High Court respectively that an advocate cannot be held guilty for his act of giving opinion on the mortgage-ability of the property kept as security with the bank. It is further stated that A-2 is not guilty in any manner as he had only given his opinion and even if the opinion is wrong, it does not make an advocate guilty. It is further argued A-2 had duly submitted the certified copy of the title deeds as obtained from office of concerned Sub-Registrar and since it was received from the office of concerned Sub-Registrar having its stamp, A-2 had no reason to doubt about the veracity of the certified copy.

Arguments on behalf of accused no. 5 Smt. K.K.Johar

29. Ld. Counsel Sh. Sumer Singh Boparai addressed the arguments on behalf of said accused. He argued that the legal issue involved in this matter is not whether the amendments brought in by the legislation in PMLA by way of amendment in the year 2019 are clarificatory as he concedes

that said position has been settled already by Hon'ble Apex Court in **Vijay Madan Lal Choudhary vs. Union of India, SCC OnLine SC 929.** But, he says that the question as to the nature of the amendments brought in the year 2013 i.e whether they are clarificatory or substantial, was never touched upon and remained undecided in said judgment. Ld. Defence counsel argued that mere assistance in generation of proceeds of crime without there being any involvement in projecting it as untainted money, was never postulated under Section 3 of the Act prior to the its amendment brought in the 2013. It was argued that prior to the amendment in the year 2013, the offence of money laundering was defined in Section 3 as under :-

> **Section 3. Offence of money laundering**- 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 and projecting it as untainted property shall be guilty of offence of money laundering.

30. It has been argued that as per the aforementioned definition given in Section 3, the legislative intent qua the use of word "and" before the phrase "projecting it as untainted property" recognized the indispensable nature of 'projection' of otherwise tainted property as untainted to constitute the offence of money laundering. Later on, pursuant to mutual evaluation of India by Financial Action Task Force (FATF), it was underscored by the FATF that the concealment, acquisition, possession and use of proceeds of crime were not criminalized under PMLA in contravention of Article 6 of United Nations Convention Against Transnational organized crime and Palermo Convention. Therefore, in order to expand the scope of the offence of 'money laundering' to interalia include

concealment, acquisition, possession and use of proceeds of crime within the scope of money laundering, the Act was amended by way of Amendment Act no.2 of 2013, which came into effect on 08.02.2013. In this background, with a view to conform to global standards, the Section 3 of PMLA was amended as under :-

> "**Section 3. Offence of money laundering**- 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 concealment, possession, acquisition or use and projecting or claiming it as untainted property shall be guilty of offence of money laundering."

31. Subsequently, in the year 2019, PMLA came to be amended again by way of clarificatory amendments vide Finance Act, 2019. Accordingly, after the 2019 amendment, Section 3 of PMLA reads as under :-

> "Section 3 Offence of money-laundering- 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. Explanation - For the removal of doubts, it is hereby clarified that, - (i) a person shall be guilty of offence of money-laundering if such person is found to have directly or indirectly attempted to indulge or knowingly assisted or knowingly is a party or is actually involved in one or more of the following processes or activities connected with proceeds of crime, namely:--
> (a) concealment; or
> (b) possession; or
> (c) acquisition; or
> (d) use; or
> (e) projecting as untainted property; or
> (f) claiming as untainted property, in any manner

> whatsoever;
> (ii) 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."

32. Ld. Counsel vehemently argued that In **'Vijay Madan Lal Choudhary vs. Union of India, SCC OnLine SC 929',** the Hon'ble Apex Court observed that the amendments brought in by way of Amendment Act, 2019, were mere clarificatory and did not expand the purport of Section 3 as it stood prior to 2019 amendment. However, the Hon'ble Supreme Court clarified that it did not delve into the intricacies of 2012 amendment. It is vehemently argued that in the light of said observation, the natural consequence that would flow is that the aforementioned observations of the Hon'ble Apex Court in Vijay Madan Lal (supra) in respect of nature, scope, ambit and contours of the offence of money-laundering under Section 3 of PMLA ought to be limited to the offence in its post 2012 amendment scenario. It has been argued that said observation of the Hon'ble Apex Court regarding the amendments brought in the year 2019 being only clarificatory cannot be treated to be applicable on the definition of Section 3 existing prior to said amendment of the year 2019.

33. Ld. Counsel has drawn my attention to the relevant paragraph of the judgment which reads as under:-

> "264. This section was first amended vide Act 2 of 2013. The expression "proceeds of crime and projecting" was substituted by expression "proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming". We are not so much concerned with

this change introduced vide Act 2 of 2013. In other words, the provision as it stood prior to amendment vide Finance 456 Subs. by Act 2 of 2013, sec. 3,, for "proceeds of crime and projecting" (w.e.f. 15-2-2013, vide S.O. 343(E), dated 8-2-2013) 457 Ins. by the Finance (No.2) Act, 2019, sec. 193 (w.e.f. 1-8-2019) (No.2) Act, 2019 remained as it is. Upon breaking-up of this provision, it would clearly indicate that — it is an offence of money- laundering, in the event of direct or indirect attempt to indulge or knowingly assist or being knowingly party or being actually involved in "any process or activity" connected with the proceeds of crime. The latter part of the provision is only an elaboration of the different process or activity connected with the proceeds of crime, such as its concealment, possession, acquisition, use, or projecting it as untainted property or claiming it to be as untainted property. This position stands clarified by way of Explanation inserted in 2019. If the argument of the petitioners is to be accepted, that projecting or claiming the property as untainted property is the quintessential ingredient of the offence of money-laundering, that would whittle down the sweep of Section 3. Whereas, the expression "including" is a pointer to the preceding part of the section which refers to the essential ingredient of "process or activity" connected with the proceeds of crime. The Explanation inserted by way of amendment of 2019, therefore, has clarified the word "and" preceding the expression "projecting or claiming" as "or". That being only clarificatory, whether introduced by way of Finance Bill or otherwise, would make no difference to the main original provision as it existed prior to 2019 amendment. Indeed, there has been some debate in the Parliament about the need to retain the clause of projecting or claiming the property as untainted property. However, the Explanation inserted by way of amendment of 2019 was only to restate the stand taken by India in the proceedings before the FATF, as recorded in its 8th Follow-Up Report Mutual Evaluation of India June 2013 under heading "Core Recommendations". This stand had to be taken by India notwithstanding the amendment of 2013 vide Act 2 of 2013 (w.e.f. 15.2.2013) and explanation offered by the then Minister of Finance during his address in the

> Parliament on 17.12.2012 as noted above. Suffice it to note that the municipal law (Act of 2002) had been amended from time to time to incorporate the concerns and recommendations noted by the international body."

34. It has been vehemently argued that the definition of money-laundering under Section 3 of PMLA prior to the amendment of the year 2019, makes an accused culpable for all acts done either directly or indirectly in the process or activity connected with the proceeds of crime and projecting or claiming such proceeds of crime as untainted property. In other words, the offence of money-laundering surfaces only when a person knowingly attempts to indulge or assist or is a party to any process or activity connected with the proceeds of crime and projects such otherwise tainted property as untainted. Ld. Counsel argued that the definition of money laundering in its prior embodiment is couched narrowly and for the application of said provision, following two requisite conditions are required to be satisfied :-

> (a) Firstly,if he-
> - directly or indirectly 'attempts' to indulge;
> - 'knowingly' either assist or is a party to ; or
> - is 'actually involved' in such process or activity connected with the proceeds of crime.
>
> (b) Secondly, if he also projects or claims such (otherwise tainted property) as untainted property.

35. It has been strenuously argued that the accused no.5 and 6 (bank officials/public servants), who allegedly conspired with the borrower and the other accused in obtaining the loan amount loan amount and allegedly facilitated in the generation of proceeds of crime cannot be held liable for the offence of money-laundering unless they were also found to have knowingly assisted the borrower in

projecting or claiming said proceeds of crime (loan amount) as untainted money.

36. To buttress above argument, Ld. Defence Counsel Mr. Boparai placed reliance on the judgment in '**Zaffar Mohd. Hassanfatta vs. Dy. Director 2017 SSC OnLine, Guj. 2476',** wherein it was observed that the offence of money-laundering would only be attracted, if the person also projects or claims proceeds of crime as untainted property. In the light of said judgment, it was argued that as per the definition of money laundering in Section 3 of PMLA, as it existed prior to the amendment of 2019, projection of otherwise tainted property as untainted was the mandatory pre-requisite to attract the vigor of said offence. Hence, mere use and possession of proceeds of crime is not suffice unless it is also projected as untainted property. Whereas, the allegations leveled against accused no. 5 do not *prima facie* satisfy the essential ingredients and it is nowhere case of ED that accused no.5 was directly or indirectly involved in projection of proceeds of crime (loan amount) as untainted money.

37. The Ld. Counsel also relied upon the judgment in '**CBI vs. Mahipal Singh, (2014) 11 SCC 28'**, to urge the point that to bring an accused within the mischief of the penal provision, ingredients of the alleged offence have to be satisfied on the date when the offence was committed. Whereas, in the factual matrix of the present case, the allegation leveled against A-5 did not form a part of the offence as was specified under Section 3 of PMLA, prior to 2012 amendment. It was argued that since in the instant case, the allegations of cheating and fraud pertains to the period

prior to 2012, therefore, the definition of money-laundering as existed prior to the amendment of the year 2013 shall be applicable.

38. It has been argued that the offence of money-laundering can be construed as continuing offence with respect to the person possessing the laundered money and not with respect to the other accused persons, who allegedly facilitated in acquisition of said money. In this regard, the attention of the court has been drawn to para 202 of the judgment titled **Vijay Madan Lal (supra)** wherein, it was held as under :-

> "202.... It is submitted that as per Section 469, in case of a single act, the date of commencement of the limitation period is the date on which the offence was committed. However, the position is different for a continuing offence, in as much as, the date of commencement of the limitation period in such a case would be the date on which the continuing offence ended. Reliance has been placed on Gokak Patel Volkart Ltd. vs. Dundayya Gurushiddaiah Hiremath & Ors., wherein this Court while dealing with Section 630 of the Companies Act, held that the offence of wrongful possession is recurring and continues until the wrongful possession is put to an end. This Court further held that such an offence is committed over a span of time and the last act of the offence will control or amount to the commencement of the period of limitation. Thus, the offences involving possession are continuing in nature, and the period of limitation for such offences would start from the date of cessation of the possession."

Arguments on behalf of ED

39. *Per contra*, Ld. SPP for ED refuted the above arguments by placing reliance on the judgment of Madras High Court in **R. Kanan vs. Asstt. Director of ED, Crl. O.P.**

No.27174 of 2022 and Crl. M.P. No.16700 of 2022 decided on 16.12.2022 wherein, similar argument was raised to the effect that involvement of accused in mere fraudulent acquisition and diversion of loan amount will not be sufficient unless the accused is also found involved in projecting said proceeds to be untained money. It was argued that even in said case, the FIR of the predicate offences of IPC and PC Act was lodged much prior to the amendments brought in PMLA in the year 2013 but, said arguments did not find favour with the Hon'ble High Court. In said case, the quashing petition was filed by the Chief Manager of Union Bank of India, who was alleged to have facilitated the sanction of cash credit facility upon fraudulent creation of collateral security on the immovable property and involved himself in the process or activity of deriving the proceeds of crime and its projection as untainted. However, the petition was rejected by the Hon'ble High Court by taking the view that the offence of money laundering is not limited to the final act of integrating the tainted money into the economy by projecting it as untainted. Rest of the arguments of Ld SPP relating to the roles of accused in the commission of predicate offence and the offence of money laundering is on the line of contents of the instant complaint and in addition to that, he also took me through the supporting documents filed along with the complaint as well as the statements recorded under section 50 of the Act.

Analysis and Discussion of Material on Record

40. Before undertaking the exercise to analyse the material on record to determine the question of charge in the light of respective submissions of the parties, I may first

discuss the broad principles laid down by the Hon'ble Apex Court relating to framing of charge and discharge. In the judgment titled '**State of Bihar v. Ramesh Singh AIR 1977 SC 2018,** the Hon'ble Apex Court has laid down following principles, which are to be kept in mind while dealing with the question of charge :-

> "Reading the two provisions together in juxtaposition, as they have got to be, it would be clear that at the beginning and initial stage of the trial the truth, veracity and effect of the evidence which the prosecutor proposes to adduce are not to be meticulously judged. Nor is any weight to be attached to the probable defence of the accused. It is not obligatory for the Judge at that stage of the trial to consider in any detail and weigh in a sensitive balance whether the facts, if proved, would be incompatible with the innocence of the accused or not. The standard of test and judgment which is to be finally applied before recording a finding regarding the guilt or otherwise of the accused is not exactly to be applied at the stage of deciding the matter under S.227 or S.228 of the Code. At that stage the Court is not to see whether there is sufficient ground for conviction of the accused or whether the trial is sure to end in his conviction. Strong suspicion against the accused, if the matter remains in the region of suspicion, cannot take the place of proof of his guilt at the conclusion of the trial. But at the initial stage if there is a strong suspicion which leads the Court to think that there is ground for presuming that the accused has committed an offence then it is not open to the Court to say that there is no sufficient ground for proceeding against the accused. The presumption of the guilt of the accused which is to be drawn at the initial stage is not in the sense of the law governing the trial of criminal cases in France where the accused is presumed to be guilty unless the contrary is proved. But it is only for the purpose of deciding prima facie whether the court should proceed with the trial or not. If the evidence which the prosecutor proposes to adduce to prove the guilt of the accused even if fully accepted before it is challenged in cross examination or rebutted by the defence

> evidence, if any, cannot show that the accused committed the offence, then there will be no sufficient ground for proceeding with the trial. If the scales of pan as to the guilt or innocence of the accused are something like even at the conclusion of the trial, then, on the theory of benefit of doubt the case is to end in his acquittal. But if, on the other hand, it is so at the initial stage of making an order under S.227 or S.228, then in such a situation ordinarily and generally the order which will have to be made will be one under S.228 and not under S.227."

41. In another judgment titled **'Union of India vs. Prafulla Kumar Samal and anr' AIR 1979 SC 366,** the Hon'ble Court has laid down:

> "10. Thus, on a consideration of the authorities mentioned above, the following principles emerge:
> (1) That the Judge while considering the question of framing the charges under Section 227 of the Code has the undoubted power to sift and weigh the evidence for the limited purpose of finding out whether or not a prima facie case against the accused has been made out.
> (2) Where the materials placed before the Court disclose grave suspicion against the accused which has not been properly explained the Court will be fully justified in framing a charge and proceeding with the trial.
> (3) The test to determine a prima facie case would naturally depend upon the facts of each case and it is difficult to lay down a rule of universal application. By and large however if two views are equally possible and the Judge is satisfied that the evidence produced before him while giving rise to some suspicion but not grave suspicion against the accused, he will be fully within his right to discharge the accused.
> (4) That in exercising his jurisdiction under Section 227 of the Code the Judge which under the present Code is a senior and experienced court cannot act merely as a Post Office or a mouthpiece of the prosecution, but has to consider the broad probabilities of the case, the total effect of the evidence and the documents produced before the Court, any basic infirmities

> appearing in the case and so on. This however does not mean that the Judge should make a roving enquiry into the pros and cons of the matter and weigh the evidence as if he was conducting a trial."

42. In '**Dipakbhai Jagdish Chandra Patel vs. State of Gujarat and anr' in Crl. in Appeal no. 714 of 2019 (SLP (Criminal) No. 5415 of 2017**, the Hon'ble Apex Court made reference to its aforementioned two previous judgments and reiterated the following principles to be taken into consideration by the courts while framing the charge :-

> "21. At the stage of framing the charge in accordance with the principles which have been laid down by this Court, what the Court is expected to do is, it does not act as a mere post office. The Court must indeed sift the material before it. The material to be sifted would be the material which is produced and relied upon by the prosecution. The sifting is not to be meticulous in the sense that the Court dons the mantle of the Trial Judge hearing arguments after the entire evidence has been adduced after a full-fledged trial and the question is not whether the prosecution has made out the case for the conviction of the accused. All that is required is, the Court must be satisfied that with the materials available, a case is made out for the accused to stand trial. A strong suspicion suffices. However, a strong suspicion must be founded on some material. The material must be such as can be translated into evidence at the stage of trial. The strong suspicion cannot be the pure subjective satisfaction based on the moral notions of the Judge that here is a case where it is possible that accused has committed the offence. Strong suspicion must be the suspicion which is premised on some material which commends itself to the court as sufficient to entertain the prima facie view that the accused has committed the offence."

43. From the above judgments of the Hon'ble Supreme Court it comes out that at the stage of the charge, court is to see if a *prima facie* case has been made out or not and whether there are sufficient grounds for proceedings against the accused or not and the charge is not to be framed simply because a charge sheet has been filed or on at mere asking of the prosecution and at this stage the court is not to weigh the pros and cons of implications of materials. For sifting the material presented by the prosecution, the exercise is to confine to consider the police report and the documents to decide the allegations against the accused persons and if it appears to the court that the accused might have committed the offence, it can safely frame the charge though for conviction, the conclusion is required to be that the accused has committed the offence. At the stage of framing of charge, probative value of the material brought on record by the prosecution has to be accepted as true and the court is not to make a roving and fishing enquiry into the pros and cons of the matter and weigh the evidence as if he was conducting a trial. Even a very strong suspicion founded upon the materials before the court which leads him to form a presumptive opinion as to existence of factual ingredient constituting the offence should justify framing of charge and if two views are possible, the one which is favourable to the prosecution has to be accepted for the purpose of framing the charge.

44. I have carefully considered the rival contentions raised by the parties in the light of the judgment filed in support thereof. Before adverting to the arguments and the material placed on record, I may also refer to the relevant provisions of PMLA and and for the ready, same are

reproduced as under:-

> “**Section 3 Offence of money-laundering**. - 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. Explanation - For the removal of doubts, it is hereby clarified that, -
> (i) a person shall be guilty of offence of money-laundering if such person is found to have directly or indirectly attempted to indulge or knowingly assisted or knowingly is a party or is actually involved in one or more of the following processes or activities connected with proceeds of crime, namely:--
> (a) concealment; or
> (b) possession; or
> (c) acquisition; or
> (d) use; or
> (e) projecting as untainted property; or
> (f) claiming as untainted property, in any manner whatsoever;
> (ii) 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.
> **Section 4. Punishment for money-laundering**.- Whoever commits the offence of money-laundering shall be punishable with rigorous imprisonment for a term which shall not be less than three years but which may extend to seven years and shall also be liable to fine:
> Provided that where the proceeds of crime involved in money-laundering relates to any offence specified under paragraph 2 of Part A of the Schedule, the provisions of this section shall have effect as if for the words ―which may extend to seven years‖, the words ―which may extend to ten years‖ had been substituted
> Section 2(i)(u) of the PMLA is reproduced as under:
> **Section 2(1)(u) ―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. Explanation-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. There are three limbs of Section 2(1)(u) of the PMLA namely:
> i) Any property derived or obtained directly or indirectly as a result of criminal activity relating to scheduled offence;
> ii) Value of property derived or obtained from criminal activity;
> iii) Property equivalent in value held in India or outside where property obtained or derived from criminal activity is taken or held outside the country."

45. The language of Section 3 clearly implies that the money involved in the offence of money laundering is necessarily proceeds of crime arising out of a criminal activity in relation to scheduled offences. Hence, the essential ingredient of section 3 of the Act is firstly the proceeds of crime, secondly, the proceeds of crime arising out of the offence specified in the schedule of the Act and thirdly, the factum of knowledge while commission of offence of money laundering.

46. No doubt the offence of money laundering contemplated in the Section 3 is an independent offence and for this reason, it is not necessary that a person accused of an offence of money-laundering has to have also committed the scheduled offence. Hence, it is not necessary that a person has to be prosecuted under PMLA only in event of such person

having committed the scheduled offence.

47. A careful perusal of section 2(i)(u) of the Act and the explanation thereof, makes it clear that the proceeds of crime shall include the property derived or obtained from the scheduled offence as well as any property which may directly or indirectly be derived or obtained as a result of criminal activity relatable to the scheduled offence.

48. The concepts of money laundering and predicate offence cannot be better explained than the speech delivered by the then Finance Minister, Mr. P. Chidambaram, while introducing the Prevention of Money Laundering (Amendment) Bill, 2012 in the Rajya Sabha on December 17, 2012. It reads as:

> "*…firstly, we must remember that money-laundering is a very technically-defined offence. It is not the way we understand 'money-laundering' in a colloquial sense. It is a technically-defined offence. <u>It postulates that there must be a predicate offence and it is dealing with the proceeds of a crime.</u> That is the offence of money-laundering. It is more than simply converting black-money into white or white money into black. That is an offence under the Income Tax Act. There must be a crime as defined in the Schedule. As a result of that crime, there must be certain proceeds — It could be cash; it could be property. And anyone who directly or indirectly indulges or assists or is involved in any process or activity connected with the proceeds of crime and projects it as untainted property is guilty of offence of money-laundering. So, it is a very technical offence. <u>The predicate offences are all listed in the Schedule. Unless there is a predicate offence, there cannot be an offence of money-laundering</u>.*" [emphasis supplied]

49. Further, in line with the above legislative intent,

Hon'ble Apex Court's in a celebrated judgment in ***P. Chidambaram v. Directorate of Enforcement***, has also held that a 'scheduled offence' is a *sine qua non* for the offence of money laundering which would generate the money that is being laundered. The intrinsic linkage of the scheduled offence with the offence of money laundering is also found in the explanation to the definition of 'proceeds of crime' under Section 2(u) of the Act which clarifies that it would 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. In **Vijay Madanlal (Supra)** case, Hon'ble Supreme Court has made it clear that while the offence of money laundering is an independent offence, it is still dependent on the underlying predicate offence to the extent of the proceeds of crime having been derived or obtained as a result of criminal activity relating to or in relation to the scheduled offence. Accordingly, it has been held that in the event, a person is acquitted in relation to the scheduled offence who rightfully owns or possesses an alleged tainted property, then such a property cannot be termed as proceeds of crime. The natural consequence of such understanding is that in the event there are no identified proceeds of crime, the authorities under the Act, being the Enforcement Directorate, cannot step in or initiate any prosecution.

50. The offence of money laundering contemplated under Section 3 of the PMLA is an independent offence. A reference to criminal activity relating to offence under PML Act has a wider connotation, and it may extend to a person, who is

connected with criminal activity relating to scheduled offence, but may not be the offender of scheduled offence. It is in this background that it has to be necessarily held that offence under PML Act is a stand-alone offence. Keeping in view the same, if we look at sub-section (b) of Section 44 of the PML Act, it would clearly indicate that the Special Court may take cognizance of the offence upon a complaint by authorized signatory, which means that cognizance would be taken of an offence, which is separate and independent. Even in case of a person who is initially not booked for a scheduled offence but booked later, and subsequently acquitted of the said scheduled offence, still such person can be proceeded under PML Act. It is not necessary that a person has to be prosecuted under the PML Act, only in the event of such person having committed scheduled offence. Prosecution can be independently initiated under PML Act only for the offence of money laundering whereas, in the instant case, the accused herein, have also been arrayed as accused in the FIR of predicate offences and even the charges have been framed against them for the alleged offences of IPC and PC Act by this Court.

51. In this regard, I may refer to the recent judgment of Hon'ble Apex Court in **Pavana Dibbur vs The Directorate Of Enforcement decide on 29 November, 2023 in Cr. 2779/2023,** where the court was adjudicating upon an issue wherein the appellant had not been arrayed as an accused in the chargesheet filed with respect to alleged predicate offence, but was made an accused for the offence of Section 3 of PMLA. The Hon'ble Supreme Court after examining the issue held as under:-

"15. Coming back to Section 3 of the PMLA, on its plain reading, an offence under Section 3 can be committed after a scheduled offence is committed. For example, let us take the case of a person who is unconnected with the scheduled offence, knowingly assists the concealment of the proceeds of crime or knowingly assists the use of proceeds of crime. In that case, he can be held guilty of committing an offence under Section 3 of the PMLA. To give a concrete example, the offences under Sections 384 to 389 of the IPC relating to "extortion" are scheduled offences included in Paragraph 1 of the Schedule to the PMLA. An accused may commit a crime of extortion covered by Sections 384 to 389 of IPC and extort money. Subsequently, a person unconnected with the offence of extortion may assist the said accused in the concealment of the proceeds of extortion. In such a case, the person who assists the accused in the scheduled offence for concealing the proceeds of the crime of extortion can be guilty of the offence of money laundering. Therefore, it is not necessary that a person against whom the offence under Section 3 of the PMLA is alleged must have been shown as the accused in the scheduled offence. What is held in paragraph 270 of the decision of this Court in the case of Vijay Madanlal Choudhary supports the above conclusion. The conditions precedent for attracting the offence under Section 3 of the PMLA are that there must be a scheduled offence and that there must be proceeds of crime in relation to the scheduled offence as defined in clause (u) of subsection (1) of Section 3 of the PMLA.

16. In a given case, if the prosecution for the scheduled offence ends in the acquittal of all the accused or discharge of all the accused or the proceedings of the scheduled offence are quashed in its entirety, the scheduled offence will not exist, and therefore, no one can be prosecuted for the offence punishable under Section 3 of the PMLA as there will not be any proceeds of crime. Thus, in such a case, the accused against whom the complaint under Section 3 of the PMLA is filed will benefit from the

> scheduled offence ending by acquittal or discharge of all the accused. Similarly, he will get the benefit of quashing the proceedings of the scheduled offence. However, an accused in the PMLA case who comes into the picture after the scheduled offence is committed by assisting in the concealment or use of proceeds of crime need not be an accused in the scheduled offence. Such an accused can still be prosecuted under PMLA so long as the scheduled offence exists. Thus, the second contention raised by the learned senior counsel appearing for the appellant on the ground that the appellant was not shown as an accused in the chargesheets filed in the scheduled offences deserves to be rejected."

52. In the light of aforementioned position of law, the argument raised on behalf of accused Nrapendra Singh Parihar (A-2), that no charges under PMLA can be framed unless the person is found guilty of the Scheduled Offences in RC BD1/2013/E/0006 dated 11.07.2013, is liable to be rejected. A-2 to A-6 arrayed herein, are already facing trial in said case after the charges of predicate offences were framed against them vide order dated 26.09.2018. There is no legal embargo on the powers of this court to proceed in the present complaint and frame the charge without waiting for the outcome of said case, provided the material is found sufficient to *prima facie* make out the case of money laundering.

53. An argument has been vehemently raised on behalf of accused no.2, 5 and 6 that to bring an accused within the mischief of any penal provision, ingredient of offence have to be satisfied as it existed on the date of commission of said offence. Whereas, in the factual matrix of the present case, the allegation leveled against A-5 did not form a part of the offence under Section 3 of PMLA, as it existed prior to 2012 amendment. It was argued that since in the instant case, the

allegations of cheating and fraud pertains to the period prior to 2012, therefore, the definition of money-laundering as it existed prior to the amendment of the year 2013 shall be applicable. Ld. Counsel further argued that the above judgment in **R.Kanan (supra)** is of no help to the ED for the reason that arguments raised before this court were never agitated before the Hon'ble High Court.

54. Careful perusal of the aforementioned judgment In **R.Kanan (supra),** shows that the petitioner therein was the Chief Manager of Union Bank of India, who was alleged to have conspired and connived with the borrowers by abetting their motive to fraudulently secure sanction and disbursement of credit facilities from the Union Bank of India by fraudulent creation of collateral security. In said case, the FIR of predicate offences was lodged in the year 2008 and thus, the alleged transaction of the fraud and cheating were pertaining to the period much prior to amendment of section 3 of PMLA in the year 2013. The Hon'ble High court rejected the quashing petition filed by the petitioner and took the view that the loan amount fraudulently received and disbursed do construe the proceeds of crime within the definition of Section 3 of Money Laundering Act, 2002 (as it existed prior to amendment Act, 2012, which came into force on 15.02.2013), and the requirement of projecting the proceeds of crime as untainted property may be one of the modes by which the offence is committed but, it is no longer a sine qua non for constituting the offence of money-laundering under Section 3 of the PML Act. It was held that "*but for the alleged active participation and assistance of the petitioner/accused, the money so disbursed would not have assumed the character of proceeds*

of crime. Consequently, it cannot be said that the alleged role played by the petitioner does not come within the net of the definition of proceeds of crime under section 3 of the PML Act." It is also pertinent to note that while holding said view, Hon'ble High court had referred to judgment of Hon'ble High Court in **Nikesh Tarachand Shah vs. Union of India, (2018) 11 SCC 1**, and also placed reliance on the judgment in **Vijay Madanlal (Supra)** as well as on the latest judgment in **Directorate of Enforcement v. Padmanabhan Kishore (2022 SCC Online SC 1490**. The relevant para of the judgment in **R.Kanan (supra),** reads as under:-

> "12. In the case on hand, the proceeds of crime is the sum of Rs.6.25 crores that was sanctioned to A-1 on the basis of the alleged fraudulent approvals granted by the petitioner. The question, therefore, is whether the role played by the petitioner would be sufficient to rope him in as an accused for the alleged commission of an offence of money-laundering under Section 3 of the PML Act.
>
> 13. As stated supra, the predicate offence against the petitioner is that he fraudulently sanctioned and disbursed the loan. The loan is, therefore, the proceeds of crime. It is necessary to notice that the scope of Section 3 is wide enough to cover all persons who "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." It is clear that even a person who knowingly assists in any process or activity connected with the proceeds of crime would also be caught within the net of Section 3. In the case on hand, on a reading of the complaint, the allegation is that, but for the role played by the petitioner, the loans could not have been sanctioned and disbursed to A-1. Prima facie, these allegations would attract Section 3 of the PML Act....
>
> 14. At the risk of repetition, the case set up in paragraph 10.6 of the complaint is that, A-5 had

> sanctioned and disbursed the credit facilities/loan. But, for the alleged active participation and assistance of the petitioner/A-5 the money so disbursed would not have assumed the character of proceeds of crime. Consequently, it cannot be said that the alleged role played by the petitioner does not come within the net of the definition of proceeds of crime under Section 3 of the PML Act."

55. Similar view was taken by the Hon'ble Madras High Court in another subsequent judgment in **Pallab Sinha Vs Deputy Director Directorate of Enforcement 2024 SCC, Online Madras 4484**, where a similar question was raised as to whether mere acquisition of proceeds of crime by indulging in corrupt practices will fall under the PMLA or it also requires the final act of integrating the tainted money into the economy. In said case, ED had placed reliance on the judgment of Apex Court in **Vijay Madan Lal (Supra),** to urge the plea that even before said provision was amended, it included possession also as an offence within its fold. The Hon'ble Apex Court accepted the aforementioned plea on the ground that the subsequent amendment made to PMLA in Section 3 of said Act has been upheld by the Hon'ble Apex Court Vijay Madan Lal on the premise that all the said amendments are clarificatory in nature. Thus, it is clear that as per said judgment, Section 3 of the Prevention of Money Laundering Act had a wider reach and that money laundering would include any activity or process of dealing with proceeds of crime, either directly or indirectly. The court made it clear that the offence was not limited to the final act of integrating tainted money into the economy by projecting it as untainted. The Hon'ble Madras High Court also relied upon the the recent decision of Hon'ble Apex Court in **Y Balaji Vs. Karthik Dasari 2023 Livelaw (SC) 440**, wherein also question of

retrospectivity of amendments in section 3 of PMLA was raised in an ED complaint. Even in said case, FIR of predicate offences was registered by CBI in the year 2009. The Relevant para of **Pallab Sinha's** judgment reads as under:-

> "17. Whether retrospective effect can be given to amendment made to Section 3 of PMLA, though the offence was registered in the year 2009, was considered by the Hon'ble Supreme Court of India in the case of **Vijay Madanlal Chaudhary Vs. Union of India** and the relevant paragraph is extracted as under:
>
> 270. Needless to mention that such process or activity can be indulged in only after the property is derived or obtained as a result of criminal activity (a scheduled offence). It would be an offence of money- laundering to indulge in or to assist or being party to the process or activity connected with the proceeds of crime; and such process or activity in a given fact situation may be a continuing offence, irrespective of the date and time of commission of the scheduled offence. In other words, the criminal activity may have been committed before the same had been notified as scheduled offence for the purpose of the 2002 Act, but if a person has indulged in or continues to indulge directly or indirectly in dealing with proceeds of crime, derived or obtained from such criminal activity even after it has been notified as scheduled offence, may be liable to be prosecuted for offence of money-laundering under the 2002 Act-for continuing to possess or conceal the proceeds of crime (fully or in part) or retaining possession thereof or uses it in trenches until fully exhausted. The offence of money laundering is not dependent on or linked to the date on which the scheduled offence or if we may say so the predicate offence has been committed. The relevant date is the date on which the person indulges in the process or activity connected with such proceeds of crime. These ingredients are intrinsic in the original provision (Section 3, as amended until 2013 and were in force till 31.7.2019); and the same has been merely explained and clarified by way of

Explanation vide Finance (No.2) Act, 2019. Thus understood, inclusion of Clause (ii) in Explanation inserted in 2019 is of no consequence as it does not alter or enlarge the scope of Section 3 at all.

Hence, the learned counsel for the respondent submits that the said contention under para (a) to (i) are liable to be dismissed.

18. The expression "money-laundering", ordinarily, means the process or activity of placement, layering and finally integrating the tainted property in the formal economy of the country. However, Section 3 has a wider reach. The offence, as defined, captures every process and activity in dealing with the proceeds of crime, directly or indirectly, and not limited to the happening of the final act of integration of tainted property in the formal economy to constitute an act of money- laundering. This is amply clear from the original provision, which has been further clarified by insertion of Explanation vide Finance (No. 2) Act, 2019, Section 3, as amended. The act of projecting or claiming proceeds of crime to be untainted property presupposes that the person is in possession of or is using the same (proceeds of crime), also an independent activity constituting offence of money-laundering. <u>In other words, it is not open to read the different activities conjunctively because of the word "and". If that interpretation is accepted, the effectiveness of Section 3 of the 2002 Act can be easily frustrated by the simple device of one person possessing proceeds of crime and his accomplice would indulge in projecting or claiming it to be untainted property so that neither is covered under Section 3 of the 2002 Act</u>. Thus, a person who is as longer as in possession and enjoyment of Proceeds of Crime, PMLA can certainly be invoked. It is submitted that the subsequent amendments made to the PMLA in respect of Section 3 of PMLA has been upheld by the Hon'ble Supreme Court of India on the premise that all the said amendments are in clarificatory in nature.”

56. After due consideration of the submissions raised from both the sides in the light of aforementioned position of

law laid down in above referred judgments, I find no merits in defence contention that unless the accused bank officials were also directly or indirectly involved in projecting the proceeds of crime as untainted money, their mere act of helping, aiding or facilitating the borrower in acquisition of loan facility by indulging in alleged cheating, forgery and criminal misconduct, will not be sufficient to attract the offence under Section 3 of PMLA.

57. I have carefully perused the chargesheet/supplementary chargesheets filed by CBI in FIR-RC-BD1/2013/E/0006 dated 11.07.2013 of predicate offences (RUD-1&2), present complaint and ECIR (RUD-13), Loan Proposal Request of the borrower (RUD-4), copies of NEC/Legal Search Report filed by A-2 in respect of immovable properties offered as collateral securities (RUD-6&7), Confidential Reports prepared by Smt. K.K.Johar and Ranjiv Suneja in respect of the borrower and guarantors namely Sanjay Sharma, Smt Indrani and Rajesh Aggarwal (RUD-8-12), Loan Account Statement of the borrower firm M/s Shankar Metals and Copies of other bank accounts statements of various other entities through which loan funds were allegedly diverted and siphoned off (RUD-14 & 15), as well as the statement of witnesses including the complainant Sh. C.P.Garg recorded under Section 50 PMLA. In the light of contents of said supporting documents filed with the complaint, I find the material sufficient to make out a *prima facie* case against all the 5 accused i.e A-2 to A-6 for commission of alleged offence of money laundering under Section 3 r/w Section 4 of PMLA.

58. In the backdrop of aforementioned discussion, I am of the considered opinion that evidence placed on record is sufficient to *prima facie* indicate commission of predicate offences, generation of proceeds of crime therefrom and involvement of present accused persons in the process and activity connected to possession, concealment, acquisition and use of the proceeds of crime and projecting & claiming it is an untainted property despite being aware of the fraud and being a party to it knowingly.

59. Accordingly, a charge for the offence of money-laundering under Section 3 r/w Section 4 of PMLA, is liable to be framed against accused no. 2 to 6. Let the case be adjourned for framing of formal charge for said offence against accused no. 2 to 6 on 16.07.2025.

(Announced in the open court)

(Sunena Sharma)
Special Judge (PC Act) (CBI-20)
RADC, New Delhi/04.06.2025