



2025:DHC:5118



\$~

\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

%

**Pronounced on: 1<sup>st</sup> July, 2025**

+

BAIL APPLN.1322/2025

SHRI AMRIT PAL SINGH

.....Petitioner

Through: Ms. Anjali Jha Manish, Mr.  
Priyadarshi Manish, Ms.  
Madhuri Malegaonkar and Mr.  
Paras Aneja, Advs.

versus

DIRECTORATE OF ENFORCEMENT

.....Respondent

Through: Mr. Zoheb Hossain, Spl.  
Counsel, Mr. Vivek Gurnani,  
Panel Counsel with Mr. Kartik  
Sabharwal, Mr. Kanishk  
Maurya, Mr. Pranjal Tripathi,  
Mr. Anand Khatri & Ms. Ilma  
Khan, Advs.

**CORAM:-****HON'BLE MR. JUSTICE RAVINDER DUDEJA****JUDGMENT****RAVINDER DUDEJA, J.**

1. This is an application for grant of anticipatory bail under Section 482 of Bharatiya Nagrik Suraksha Sanhita, 2023 on behalf of the applicant, Amrit Pal Singh in ECIR No. ECIR/DLZO-II/24/2022, under Section 3 and 4 of the Prevention of Money Laundering Act, 2002.



## **Background**

2. The Applicant, Shri Amrit Pal Singh, a resident of Hong Kong for the past 17 years, is the Director of M/s. Broway Group Ltd. His company has been arrayed as Accused No.8 in the first supplementary complaint dated 31.01.2023 filed by the Directorate of Enforcement under Sections 44 and 45 of the Prevention of Money Laundering Act, 2002 (PMLA), alleging commission of offence under Section 3, punishable under Section 4, read with Section 70 of the PMLA. The complaint alleges that his company received a sum of Rs. 20.75 Crores from M/s Mizta Tradex Pvt. Ltd., an Indian entity, purportedly for the import of Photosensitive Semiconductor Devices. The Applicant contends that the transaction was a bona fide business dealing duly supported by documentary evidence, including invoices, airway bills, bill of entry, and remittance records bearing purpose code S0102 (payment for imports).

3. The complaint stems from an FIR registered by EOW, Delhi Police, against various entities, including M/s. Kinzal Freight Forwarding Pvt. Ltd., for forging Form 15CBs and allegedly facilitating illegal remittance of over Rs. 300 Crores outside India. It is the Applicant's case that he was neither named in the predicate offence nor aware of any illegality in the remittances made to his company. Despite this, his company was named in the supplementary PMLA complaint, and he was not served with any notice or summons



prior to being arraigned as an accused. The Directorate of Enforcement allegedly failed to take proper steps for service through the Ministry of Home Affairs and failed to attach requisite documents for service in Hong Kong, as per protocol. When the Applicant travelled to India on 27.01.2025 to attend to his ailing father, he was intercepted at Amritsar Airport due to a Look Out Circular issued by the Enforcement Directorate.

4. Upon being served with a summons under Section 50 of the PMLA on the same day, the Applicant, citing medical exigencies concerning his critically ill father, sought adjournment via WhatsApp and email communication with the Assistant Director, Enforcement Directorate. Despite his cooperation and expression of willingness to participate in the proceedings, he was apprehensive of coercive action and arrest. The Applicant therefore preferred an anticipatory bail application before the learned Sessions Court on 19.03.2025, asserting that he was not involved in any illicit activity, that the entire transaction was legitimate and duly documented, and that he posed no flight risk, being willing to appear before the Court. Interim protection was granted and extended during the pendency of the application, which was eventually dismissed on 27.03.2025 due to non-fulfilment of the twin conditions under Section 45 of the PMLA.

**Role of the applicant as per ED:**

5. The applicant, Mr. Amrit Pal Singh, is the Director of M/s Broway Group Limited, a company incorporated in Hong Kong,



which has been arrayed as Accused No. 8 in the Supplementary Prosecution Complaint dated 31.01.2023 filed by the Directorate of Enforcement. During the investigation, it was revealed that the said company was the beneficiary of fraudulent foreign outward remittances amounting to USD 2,880,210 (approximately INR 20.75 crores), originating from Indian shell entities including M/s Mizta Tradex Pvt. Ltd. These transactions were made under the guise of import of goods, without any actual corresponding business activity. It is alleged that the funds were layered and projected as untainted, constituting the offence of money laundering under Section 3 of the Prevention of Money Laundering Act, 2002. The applicant, by virtue of his position and control over M/s Broway Group Limited, is alleged to have knowingly facilitated the concealment, possession, and use of proceeds of crime, and is thus implicated in the offence punishable under Section 4 of the Act.

6. The role of the applicant is further substantiated by the statements of co-accused Rahul Kumar and Chitra Pandey recorded under Section 50 of the PMLA, 2002, which disclose a systematic modus operandi involving incorporation of shell companies using forged identities, fabrication of import-export documentation, and remittance of funds abroad, followed by deliberate non-realisation of export proceeds and sham transactions to justify the defaults. Although the applicant's address details were not initially available in the official Hong Kong company records, his whereabouts were traced in December 2024 through sustained efforts. In view of his foreign



business interests, particularly in M/s Browway Group Limited, which was a direct recipient of tainted funds, the applicant was deemed a flight risk. Accordingly, a Look Out Circular (LOC) was issued to secure his presence for investigation and subsequent trial proceedings.

### **Submissions of the Applicant:**

7. Learned counsel for the applicant has submitted that the remittance received by the Applicant's Company, M/s. Browway Group Ltd., Hong Kong (Accused No.8), from M/s. Mizta Tradex Pvt. Ltd., India, pertains to genuine import transactions involving the supply of photosensitive semiconductor devices. The said transactions are substantiated by Bills of Entry assessed by the Customs Authority and are thus squarely covered under Purpose Code S0102 as "payment towards import – settlement of invoice" under Rule 37BB(3)(ii) of the Income Tax Rules, 1962, which exempts such transactions from requiring Form 15CA/CB certification. It has been submitted that the FIR, ECIR, complaint, and supplementary complaint revolve solely around alleged forged Form 15CA/CB certificates, whereas in the applicant's case, no such form was used or required, thereby taking the applicant's transaction outside the scope of the alleged scheduled offence. The test laid down in paragraph 237 of ***Vijay Madanlal Choudhary v. Union of India***, (2023) 12 SCC 1, and reiterated in ***Prem Prakash v. Union of India***, (2024) 9 SCC 787, has not been satisfied as neither is there a scheduled offence in the applicant's case nor any proceeds of crime attributable to the Applicant. Accordingly,



the learned counsel argues that the applicant has not been involved, either directly or indirectly, in any process or activity related to proceeds of crime.

8. It has further been submitted that the Applicant, being the sole director of the said company (a one-person company), has been arrayed as Accused No.8 only in a representative capacity and not in his individual capacity. The prosecution's reliance on vicarious liability under Section 70 of the PMLA, 2002, which is *pari materia* to Section 141 of the Negotiable Instruments Act, 1881 and Section 68 of the Foreign Exchange Regulation Act, 1973 and does not automatically warrant prosecution unless the foundational facts of money laundering are made out, which is not the case here. Reliance is placed on the decisions in ***Tarsem Lal v. Directorate of Enforcement***, (2024) 7 SCC 61 and ***Sunil Bharti Mittal v. CBI***, (2015) 4 SCC 609, to submit that individual liability cannot be fastened unless statutory conditions are met. Further reliance is placed on ***Amit Aggarwal v. Directorate of Enforcement***, 2024:DHC:235, and ***Parvez Ahmed v. Directorate of Enforcement***, 2024 SCC OnLine Del 8528, where anticipatory bail was granted in similar circumstances. It was also submitted that the statements of Rahul Kumar and Chitra Pandey, relied upon by the ED, are inadmissible as they were either made during custody or by individuals likely to be treated as accused. Lastly, it was emphasized that no summons were issued to either the Applicant or the company during the investigation stage, and therefore, in absence of foundational facts under the PMLA, the



applicant is entitled to anticipatory bail as per the settled position in *Vijay Madanlal Choudhary* (supra), *Prem Prakash* (supra), and *Basant Bansal v. State (NCT of Delhi)*, 2023 SCC OnLine Del 3589.

**Submissions of the Respondent (Directorate of Enforcement):**

9. Mr. Gurnani, learned counsel for the Respondent/ED, has vehemently opposed the grant of anticipatory bail to the applicant. It has been submitted that the present case does not fall within the parameters laid down in *Satender Kumar Antil v. CBI*, (2022) 10 SCC 51, or *Tarsem Lal v. Enforcement Directorate*, (2024) 7 SCC 6, as the applicant has failed to join the investigation despite issuance of multiple summons under Section 50 of the PMLA. It is contended that the protections envisaged in *Satender Kumar Antil* (supra) are applicable only in cases where the investigating agency has consciously chosen not to arrest the accused and has filed the complaint accordingly. However, in the instant case, the agency did not consciously refrain from arresting the applicant, rather, the applicant has evaded summons and not cooperated with the investigation. Furthermore, it has been argued that in *Tarsem Lal* (supra), the accused were shown as such in the prosecution complaint and had joined the investigation during the inquiry stage, a factual distinction absent in the present matter, where the complaint has only been filed against the applicant's company and not against the applicant personally.



10. Mr. Gurnani has further submitted that the applicant, Amrit Pal Singh, has repeatedly failed to comply with summons issued under Section 50 of the Prevention of Money Laundering Act, 2002. He was first intercepted at Amritsar International Airport on 27.01.2025 upon arrival from Bangkok, and was summoned to appear on 28.01.2025, which he failed to do, citing his father's ill health. Despite being granted subsequent opportunities to appear on 06.02.2025, 25.02.2025, and 03.04.2025, the applicant failed to join the investigation on each occasion, merely sending emails seeking adjournments without substantiating his inability to appear. It was submitted that the applicant has shown deliberate non-compliance and has not joined the investigation till date, despite multiple summonses.

11. It has been further submitted that Section 45 of the PMLA is applicable and the twin conditions prescribed therein have not been satisfied. Reliance has been placed on *SFIO v. Aditya Sharda*, 2025 INSC 477, wherein the Supreme Court reiterated that anticipatory bail in economic offences should be granted only in exceptional cases. The Respondent has also relied on *State v. Anil Sharma*, (1997) 7 SCC 187, to emphasize the significance of custodial interrogation, which would be rendered ineffective if pre-arrest bail is granted. The learned counsel further referred to *Directorate of Enforcement v. V.C. Mohan*, 2022 SCC OnLine SC 452 and *Directorate of Enforcement v. M. Gopal Reddy*, CrI Appeal 534/2023, to contend that anticipatory bail ought not to be granted without satisfaction of the statutory mandate under Section 45. He also emphasized the binding nature of



summons issued under Section 50(2) of the PMLA, as affirmed in *Vijay Madanlal Choudhary v. Union of India*, (2022) SCC OnLine SC 929, and *Virbhadra Singh v. ED*, 2017 SCC OnLine Del 8930, to argue that non-appearance in response to summons is in clear violation of the law. It was lastly submitted that economic offences constitute a separate class, as held in *State of Gujarat v. Mohanlal Jitamalji Porwal*, (1987) 2 SCC 364, and warrant stringent treatment.

### **Analysis**

12. Upon perusal of the record and after consideration of the rival submissions, it emerges that the applicant, Amrit Pal Singh is the sole director of the company that has been arrayed as Accused No. 8 in the supplementary complaint dated 31.01.2023 filed by the Directorate of Enforcement under Sections 44 and 45 of the Prevention of Money Laundering Act, 2002 ("PMLA"). The allegation against the applicant pertains to receipt of ₹20.75 Crores by his Hong Kong-based company, M/s Broway Group Ltd., from M/s Mizta Tradex Pvt. Ltd., ostensibly towards import of photosensitive semiconductor devices. Though the applicant has sought to justify the transaction as a bona fide business remittance, supported by customs documentation and RBI purpose code S0102, the veracity of the transaction is presently under serious dispute and constitutes a core issue in the ongoing investigation. Given the overarching allegations of large-scale illicit remittances made on the strength of forged documentation, the question of legitimacy cannot be prejudged at this stage.



13. It is not disputed that the predicate FIR registered by the Economic Offences Wing, Delhi Police, discloses the commission of cognizable and scheduled offences under the PMLA, involving the use of forged Form 15CBs to remit sums exceeding ₹300 Crores abroad. Though the applicant is not named in the predicate FIR, the Directorate of Enforcement, in exercise of its powers under Section 3 read with Section 70 of the PMLA, has attributed a portion of the said proceeds to the applicant's company. In terms of Section 24 of the PMLA, a statutory presumption arises once it is shown that a person is in possession of property linked with a scheduled offence. It is for the applicant to rebut the presumption by demonstrating that such proceeds are untainted. At this stage, no material has been placed on record to displace the statutory presumption. The reliance placed by the applicant on *Vijay Madanlal Choudhary v. Union of India*, (supra), is misplaced, as the decision does not exempt foreign recipients from scrutiny merely by asserting contractual legitimacy in the face of strong allegations of layered money laundering.

14. The applicant's conduct during the investigation is materially relevant to the exercise of discretion under Section 438 Cr. PC. It is on record that the applicant was intercepted at the Amritsar International Airport on 27.01.2025 and served with a summons under Section 50 of the PMLA to appear the following day. He failed to appear, and continued to ignore subsequent summons dated 06.02.2025, 25.02.2025, and 03.04.2025, on vague grounds relating to his father's illness, without substantiating such claims or offering any concrete



mechanism for cooperation. In *Virbhadra Singh v. ED* (supra), this Court held that failure to comply with Section 50 summons is a serious breach and may warrant coercive steps. The statutory force of such summons has also been affirmed in *Vijay Madanlal Choudhary* (supra). In the facts of the present case, the applicant's non-compliance reveals a pattern of evasion and undermines the presumption of bona fides essential for seeking equitable relief.

15. The twin conditions under Section 45 of the PMLA are not satisfied. As clarified in *SFIO v. Aditya Sarda*, (supra), the Court must be satisfied that (i) there are reasonable grounds to believe the accused is not guilty of the offence, and (ii) he is not likely to commit any offence while on bail. The applicant has not made any demonstrable effort to discharge the burden of showing non-involvement or placing material that could negate the allegation that his company received tainted funds. The Court cannot accept self-serving assertions of legitimate trade as conclusive when weighed against prima facie material showing structured remittances based on forged authorisations.

16. The applicant has sought to disassociate his personal culpability from that of the company, urging that he is implicated only vicariously by virtue of being the sole director of M/s Broway Group Ltd. This submission is untenable. The applicant is not merely a non-executive or nominal director, but the controlling mind of a one-person company. In *Sunil Bharti Mittal v. CBI*, (supra), the Supreme



Court held that corporate veil may be lifted and vicarious liability imputed when the individual is in direct control and responsible for the company's actions. Given the scale of remittances, absence of any internal checks, and the failure of the applicant to explain the source and end-use of the funds, the material on record prima facie justifies his arraignment both in representative and personal capacities under Sections 3 and 70 of the PMLA.

17. The precedents cited by the applicant, including ***Tarsem Lal v. Directorate of Enforcement*** (supra) and ***Satender Kumar Antil v. CBI*** (supra), are distinguishable. Both decisions turned on the fact that the accused were cooperating with the investigation and no custodial interrogation was warranted. In ***Tarsem Lal*** (supra) it was *inter alia* held as under;

*“33. Now, we summarise our conclusions as under:*

*33.1. Once a complaint under Section 44(1)(b) PMLA is filed, it will be governed by Sections 200 to 205 CrPC as none of the said provisions are inconsistent with any of the provisions of PMLA;*

*33.2. If the accused was not arrested by ED till filing of the complaint, while taking cognizance on a complaint under Section 44(1) (b), as a normal rule, the court should issue a summons to the accused and not a warrant. Even in a case where the accused is on bail, a summons must be issued;*

*33.3. After a summons is issued under Section 204 CrPC on taking cognizance of the offence punishable under Section 4 PMLA on a complaint, if the accused appears before the Special Court pursuant to the summons, he shall not be treated as if he is in custody. Therefore, it is not necessary for him to apply for bail. However, the Special Court can direct the accused to furnish bond in terms of Section 88 CrPC;*

*33.4. In a case where the accused appears pursuant to a summons before the Special Court, on a sufficient cause being shown, the*



*Special Court can grant exemption from personal appearance to the accused by exercising power under Section 205 CrPC; ”*

18. Law laid down in Tarsem Lal's case is applicable to an accused named in prosecution complaint. Here, by contrast, the present applicant has not been arrayed as an accused and investigation qua him is still stated to be pending, the applicant has failed to appear despite multiple statutory summons and is now seeking anticipatory bail to evade arrest. In ***State v. Anil Sharma***, (1997) 7 SCC 187, the Supreme Court underscored the necessity of custodial interrogation in white-collar crimes, noting that anticipatory bail at an early stage can frustrate meaningful investigation.

19. The apprehension expressed by the Enforcement Directorate that the applicant poses a flight risk is not without merit. The applicant is a permanent resident of Hong Kong and has no known fixed assets or ties in India. His interception at the airport was not a voluntary surrender but an incidental occurrence. In ***Directorate of Enforcement v. M. Gopal Reddy***, (supra), the Court held that anticipatory bail ought not be granted where the accused is residing abroad, evading investigation, and lacks a demonstrable intention to submit to jurisdiction. The applicant's conduct fits this description.

20. In view of the above, this Court is of the considered view that custodial interrogation may be warranted to ascertain the applicant's role in facilitating or benefiting from the alleged money laundering



operation. Premature grant of bail would impede investigation and compromise the statutory objectives of the PMLA.

### **Conclusion**

21. The allegations against the applicant's company pertain to grave economic offences involving substantial international money transfers allegedly carried out through forged documentation and layered transactions intended to obscure the origin of proceeds of crime. The transnational nature and scale of the offence warrant a thorough investigation, which cannot be effectively carried out without custodial interrogation.

22. The applicant is the sole director of the company which stands arrayed as an accused in the ECIR. Given that the trial is still at a nascent stage and investigation qua the present applicant is still pending, the Court is of the considered view that the requirement of custodial interrogation at this stage cannot be ruled out. The applicant's conduct, marked by sustained non-cooperation despite issuance of repeated notices, weighs heavily against the grant of pre-arrest protection.

23. The twin conditions under Section 45 of the Prevention of Money Laundering Act, 2002, must be mandatorily satisfied before anticipatory bail can be considered. These include: (i) the existence of reasonable grounds for believing that the accused is not guilty of the offence of money laundering; and (ii) the assurance that the accused is



not likely to commit any offence while on bail. The Supreme Court in *Vijay Madanlal Choudhary v. Union of India* (supra), has affirmed the applicability of these twin conditions even at the anticipatory bail stage.

24. In the present case, the applicant has failed to rebut the statutory presumption under Section 24 of the PMLA or discharge the burden mandated under Section 45. His non-appearance in response to summons and evasion of investigation reflect a lack of bona fides and do not inspire confidence in his willingness to cooperate with the authorities.

25. The record shows that the applicant had earlier approached the Sessions Court under Section 482 of the BNSS, 2023, and the same was dismissed on 27.03.2025, inter alia, on the ground that there were no reasonable grounds to believe that he was not guilty of the offence of money laundering. Notably, there is no denial on the applicant's part regarding the receipt of summons, yet he consistently failed to appear and evaded the process of law on untenable pretexts.

26. The precedents cited by the applicant are distinguishable on facts and do not assist his case. On the contrary, binding judicial pronouncements including *State v. Anil Sharma*(supra), *Aditya Sarda v. Union of India*(supra), and *M. Gopal Reddy v. Union of India* (supra) militate against the grant of anticipatory bail in cases involving serious economic offences. In *Aditya Sarda* (supra), the Supreme Court reiterated that anticipatory bail is not a matter of right



2025:DHC:5118



and is to be granted sparingly, especially where there is wilful disobedience of court processes and credible prima facie material.

27. Having regard to the totality of the circumstances, including the applicant's evasive conduct, the material on record indicating receipt of laundered funds by entity controlled by him, the failure to meet the statutory threshold under Section 45 of the PMLA, and the need for custodial interrogation, this Court finds no justifiable reason to exercise its discretion in favour of the applicant. Further, the criminal proceedings against the applicant's company are still at an initial stage and any pre-arrest protection at this juncture would risk impeding the investigation qua the applicant .

28. Accordingly, the application for anticipatory bail is dismissed.

**RAVINDER DUDEJA, J.**

**1<sup>st</sup> July, 2025/NA**