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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

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CRM-M-73061-2025 (O&M)

Arif Nisar

....Petitioner

V/s

State of Punjab and another

....Respondents

Date of decision: 18.09.2026**Date of Uploading : 21.09.2026****CORAM: HON'BLE MR. JUSTICE SUMEET GOEL**

Present: Mr. J.S. Mehndiratta, Senior Advocate with
Mr. Gursimran Singh Madaan, Advocate and
Ms. Ishiqa Sharma, Advocate for the petitioner.

Mr. Adhiraj Singh Thind, AAG Punjab.

Mr. Satya Pal Jain, Additional Solicitor General of India
(through V.C.) with

Mr. Karanvir Singh Kathuria, Advocate for the respondent-ED.

SUMEET GOEL, J. (Oral)

1. The present petition (hereinafter referred to as '*petition in hand*') has been filed by the petitioner — Arif Nisar for grant of regular bail in complaint case No.COMA-2-2025 arising out of ECIR/JLZO/26/2024 dated 25.11.2024 registered by Enforcement Directorate (hereinafter referred to as '*ED*') under the Prevention of Money Laundering Act, 2002 (hereinafter referred to as '*PMLA*').

2. The prosecution case, as emerging from the prosecution complaint and the material placed before this Court, is that the Directorate of Enforcement initiated proceedings in relation to the activities of Vuenow Marketing Services Limited, Vuenow Infotech Private Limited, Zebyte Infotech Private Limited, Zebyte Rental Planet Private Limited and other

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seizure proceedings at various premises connected with the Vuenow Group of Companies for the alleged violation under the provisions of the Foreign Exchange Management Act, 1999 read with Section 132 of the Income-Tax Act, 1961. During the course of those proceedings, certain bank accounts of the concerned companies were frozen. On perusal of the transactions in the said accounts, it was reflected that the accounts contained an amount of more than ₹125 crore whereas the foreign remittances forming part of the proceedings were stated to be approximately ₹75 crore. The Directorate, thereafter, forwarded the information under Section 66 of the PMLA to the concerned police authorities, pursuant to which FIR No.463 dated 24.11.2024 came to be registered at Police Station Sector 58, Noida District Commissionerate, Gautam Budh Nagar, Uttar Pradesh under Sections 318(4), 61(2) and 316(2) of the Bharatiya Nyaya Sanhita, 2023, against Vuenow Marketing Services Limited, Vuenow Infotech Pvt. Ltd, Zebyte Rental Planet Private Limited, Zebyte Infotech Private Limited and the promoters of the companies. The case of the prosecution is that the said scheduled offences constitute the foundational criminal activity from which the alleged proceeds of crime arose and which subsequently formed the basis for invocation of the provisions of the PMLA. The ECIR bearing No. JLZO/26/2024 was thereafter recorded by the Directorate of Enforcement on 25.11.2024. Searches were conducted at the premises of the concerned companies and the bank accounts were again subjected to action under the PMLA.

The prosecution has further alleged that the business model adopted by the concerned entities was that they made representations in



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relation to cloud-storage facilities and purported 'Cloud Particles' to the investors, assuring good/higher rental returns. As per the Directorate, the material collected during the course of investigation indicates that the actual storage capacity available with the concerned entities did not match with the representations allegedly made to the investors. The *ED* has further alleged that the funds received from one set of investors were being utilized for making payments to other investors through affiliated entities and such movement of funds constituted part of the process of dealing with and utilizing the alleged proceeds of crime. The *ED* has specifically relied upon the financial trail, transactions relating to alleged proceeds of crime and statement(s) recorded during the course of investigation which disclose the active participation of the petitioner in the alleged offence.

2.1 More pertinently, the specific role of the petitioner, as set-out in the prosecution complaint filed against the petitioner (herein) reads thus:

"c) Arif Nisar S/o Nisar Ahmad:

Arif Nisar had joined the process of fund raise of the project namely 'mycloudparticle' which was executed through the Vuenow Group i.e. M/s VIPL, M/s VMSL, M/s ZIPL & M/s ZRPPL. He is the mentor of Vuenow Group as mentioned on the website of Vuenow group (<https://vuenowonline.com/leadership>). Investigation by this Directorate revealed that Arif Nisar is among the key people who have devised the modus operandi as discussed above to cheat gullible investors and further diversion of proceeds of crime.

Being the shareholder and the authorized signatory and approver of the bank accounts of the M/s ZIPL, Arif Nisar was actively controlling all the activities including financial activities of M/s ZIPL. Arif Nisar in his statement u/s 50 of PMLA stated that funds to the tune of INR 113 crores approx. out of INR 115 crores (which were received from M/s VIPL) were utilized for payment of rent to individuals/ investors in respect of the cloud particles.



Arif Nisar and his team conducted multiple seminars to give presentation and to motivate the investors/ channel partner to buy more and more cloud particles. Arif Nisar is having good communication skills and media background. Arif Nisar played important role to explain the said project to the public to lure the investors for investing amounts in M/s VMSL in the guise of sale of cloud particle from M/s VMSL in lieu of the assured high monthly rental return (fake claims).

During the course of investigation, Arif Nisar in his statement stated that he had conducted 2-3 seminars for M/s Vuenow Marketing Services Pvt Ltd in Rohtak, Chandigarh and New Delhi. He used to attend the seminars as a guest speaker to render vote of thanks in the last of each seminar for 7-10 minutes.

During the course of investigation, it is found that he has exclusive knowledge that there is no infrastructure of M/s Zebyte Infotech Pvt Ltd, Data Center of M/s Vuenow Marketing Services Pvt Ltd were under construction. In 2020, he got to know that the Vuenow Group is basically a Multi-Level Marketing Scheme. He asked Sukhwinder Singh Kharour and Rahul Bhargav regarding the exact model of the Vuenow Company. Even then, Arif Nisar continued working with Vuenow Group.

During the course of investigation, it is found that he is having 90% shareholding in M/s ABYSS Infotainment Pvt Ltd. He is also having 84.5% shareholding of M/s Royaltaz Airways Pvt Ltd. Salary of the directors of M/s Royaltaj Airways Pvt Ltd were paid by Arif Nisar from his personal accounts where the funds were credited from Vuenow Group. Huge funds were credited from the accounts of Arif Nisar to the account of M/s Royaltaj Airways Pvt Ltd.

During the course of investigation, Arif Nisar stated that Sukhwinder Singh Kharour didn't have the meeting experience, therefore, Arif Nisar used to go with him for different meetings. He was like the poster boy of the said project.

During the course of investigation, Arif Nisar is shareholder to the tune of 75% in M/s ZIPL. He is the key person in M/s ZIPL. He is the authorized signatory and 'Initiator & Approver' of the bank accounts of M/s ZIPL. Further, on perusal of the bank accounts of Arif Nisar, M/s VMSL. M/s VIPL and M/s ZIPL, it is observed that he has received below mentioned proceeds from the said companies:

Name of receiver	Name of transferor company	Period	Amounts received (in Rs.)
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Arif Nisar	M/s VMSL	30.01.2020-14.09.2024	1,58,96,062
	M/s VIPL	01.07.2023 – 01.10.2024	1,30,90,264
	M/s ZIPL	20.06.2020-01.07.2023	34,35,102
	M/s ZRPPL	02.12.2022 – 01.01.2024	8,239
	Total		3,24,29,667/-

During the course of investigation, Arif Nisar stated that M/s J. Bhagwan & Associates was authorized as the Independent Auditor of M/s Zebyte Infotech Pvt Ltd. However, Jai Bhagwan Mittal, Partner of the said entity stated that the said firm had never audited any type of financial accounts of M/s ZIPL. Jai Bhagwan Mittal even registered a complaint regarding the same to Police Station. It is pertinent to mention here that Arif Nisar is hiding the facts intentionally.

During the course of investigation, Arif Nisar stated that fake business was executed with textile related entity (M/s Neha International) for the purpose of funds rotation.

During the course of investigation, it is found that Arif Nisar had purchased a BMW car having value of Rs 1.34 crore approx. in his name, the funds to purchase the car is the balance of M/s VMSL.

Arif Nisar was getting salary in lieu of his services offered by him as signing authority of the bank accounts of M/s Zebyte Infotech Pvt Ltd and consultancy services offered to M/s Vuenow Group regarding government rules and regulations, fund raising through various channels, seminar conductions etc.

In this way, Arif Nisar was actually involved in one or more process or activities connected with the proceeds of crime including its concealment, possession, acquisition, use and projected or claimed the same as untainted property thereby had committed the offence of money laundering within the meaning of section 3 of Prevention of Money Laundering Act, 2002, which is punishable under section 4 of the Act *ibid*”

The petitioner is stated to be arrested on 24.02.2025.

3. Learned senior counsel for the petitioner; espousing the cause of the petitioner, has iterated that the petitioner has been in custody since

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24.02.2025 and a substantial period of incarceration has already been undergone by him. Learned senior counsel has further iterated that the prosecution complaint was filed way-back on 24.04.2025 and the *ED* has already collected the documentary material, financial records and other evidence upon which it seeks to rely. It has been further contended that the material(s) relied upon by the prosecution are predominantly documentary in nature which are already in its possession and, therefore, the continued incarceration of the petitioner, despite the passage of considerable time in custody, would serve no useful purpose. Moreover, the trial is likely to take considerable time, particularly in view of voluminous documentary material relied upon and the number of witnesses proposed to be examined by the prosecution. Learned senior counsel has emphasized that the length of custody, the filing of prosecution complaint and likelihood of the trial taking substantial time constitute relevant circumstances for the grant of bail to the petitioner. According to learned senior counsel, the continued incarceration of the petitioner cannot be justified on the ground of further investigation when the prosecution complaint itself has already been filed and the material relied upon by the prosecution is substantially documentary in nature.

3.1. It has been further contended that the case arises out of the business activities of the Vuenow Group of Companies and its associated entities. It has been further contended that the petitioner was neither a Director nor an authorized signatory of the companies in question and had no role in their day-to-day affairs. According to learned senior counsel, the limited association of the petitioner with the business was as a mentor, for



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which he received remuneration, and he also participated in seminars and delivered closing speeches. It has been further argued that merely because the petitioner was associated with the business as a mentor, he cannot be held responsible for the alleged acts of the companies or their Directors. It has been further argued that the petitioner is not required for any further custodial interrogation and his continued incarceration would amount to pre-trial punishment.

3.2. Learned senior counsel has pointed out that the petitioner has not been named in FIR No.463 dated 24.11.2024 registered at Police Station Sector 58, Noida or in FIR Nos.311 and 250 dated 18.12.2024 registered at Ludhiana and no overt act has been attributed to the petitioner in those FIRs. It has been further contended that the material relied upon by the prosecution does not establish any direct involvement of the petitioner in the alleged scheduled offence. It has been further argued that the prosecution itself alleges that the total proceeds of crime amount to approximately Rs.3500 crores *whereas* the amount allegedly received by the petitioner over a period of about 05 years is stated to be Rs.3,24,29,667/- which is only on account of the remuneration for the services rendered by him and the same cannot, by itself, constitute proceeds of crime. According to learned senior counsel, the said circumstance is a relevant factor while determining whether the further detention of the petitioner is justified in the factual *milieu* of the case in hand.

3.3. It has been further iterated that though the ECIR was registered on 25.11.2024, however, the respondent-ED chose to arrest the petitioner (herein) only on 24.02.2025. It has been further urged that the evidence



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relied upon by the *ED* substantially consists of documents including bank records, statements already recorded and digital material already seized and, hence, there is no reasonable possibility of the petitioner tampering with the evidence. Furthermore, the petitioner has deep roots in the Society; is not at flight risk and is ready to comply with any condition(s) that may be imposed by this Court while granting the concession of regular bail.

3.4 Learned senior counsel has further urged that the petitioner is only holding shares of M/s Zebyte Infotech Private Ltd and is neither a Director nor a partner of the company & was not involved in its day-to-day management. Learned senior counsel has also pointed out that a shareholder cannot be made liable for the acts/liabilities of a company merely on account of holding shares. Furthermore, the petitioner has no knowledge or connection with M/s Vuenow Marketing Services Ltd, M/s Vuenow Infotech Pvt. Ltd or M/s Zebyte Rental Planet Pvt. Ltd. and has been implicated merely because the name of the petitioner was used for promoting the business. Moreover, the petitioner is not a beneficiary of the alleged offence and there is no direct evidence which would connect him with the alleged act of money laundering. According to learned senior counsel, the allegations against the petitioner are primarily based on inference and documentary which does not disclose any active role on the part of the petitioner.

3.5. Learned senior counsel has further urged that the petitioner is neither in a position to intimidate the prosecution witnesses nor is capable of influencing the course of trial in any manner prejudicial to the interest of the *ED*.



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3.6 It has been contended that the petitioner has been in custody for a considerable period of time i.e. about 01 year and 07 months in the *ECIR* in question. Furthermore, there is no likelihood of the trial concluding in near future as the case is still at the stage of pre-cognizance and the respondent-ED has cited 52 prosecution witnesses & has relied upon 70 documents running into more than 7,000 pages and, thus, the prospect of conclusion of trial in near future is bleak which constitutes a grave violation of his fundamental right to speedy trial under Article 21 of the Constitution of India

On these grounds, the grant of regular bail is entreated for.

4. Learned State counsel appearing on behalf of State of Punjab has contended that no substantive relief has been sought against it as the matter in hand has been instituted/investigated by the ED.

5. In *oppugnation*, learned counsel appearing for the *ED*; led by Sh. Satya Pal Jain, Additional Solicitor General of India; has filed reply opposing the *petition in hand*. Raising submission in tandem with the aforesaid reply, learned senior counsel has iterated that the allegations raised against the petitioner are grave and relate to alleged large-scale economic offence(s) involving substantial amounts and a number of investors. According to learned senior counsel, the material collected during the course of investigation reflects the association of the petitioner with the business activities and his participation in seminars organized for attracting and motivating investors. It has been further contended that the petitioner was exercising considerable control in relation to M/s Zebyte Infotech Pvt. Ltd. and was holding 75% shares therein. Moreover, the petitioner has



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played a prominent role in the affairs of the concerned companies, as also in the movement and utilization of the alleged proceeds of crime. It has been further contended that the alleged receipt of Rs.3.24 crore by the petitioner cannot, at this stage, be treated merely as salary when the prosecution has alleged that the amount has been received in the backdrop of the larger financial transactions which form part of the alleged money laundering scheme. According to learned senior counsel, the nature and source of the funds received by the petitioner, as well as their connection with the proceeds of crime, are matters which require appreciation of evidence during the course of trial and cannot be determined at the stage of consideration of plea for grant of regular bail. Besides, the petitioner has failed to satisfy the statutory requirements for grant of bail under Section 45 of the PMLA. Furthermore, the likelihood of the petitioner evading the process of law, if released on bail, cannot be ruled out at this stage.

5.2. Learned senior counsel has vociferously urged that the factum of the petitioner being incarcerated for a period of more than 01 year and 07 months in the *ECIR* in question *vis-à-vis* the nature of allegations against him do not, *ipso facto*, warrant his release on regular bail.

5.3. Thus, dismissal of the *petition in hand* is canvassed for.

6. I have heard learned counsel for the rival parties and perused the record.

7. While adjudicating a prayer for grant of regular bail, the Court is required to undertake a careful assessment of a multitude of factors. The exercise is necessarily contextual and calls for a judicious balancing of the competing considerations. Amongst the relevant considerations are the



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nature and gravity of the accusation; the severity of the punishment prescribed for the alleged offence; the precise role attributed to the accused; the nature and quality of the material collected during investigation; whether the allegations are specific and individualized or vague and omnibus; the *prima facie* strength of the prosecution case; the circumstances in which the offence is alleged to have been committed; the antecedents and criminal history, if any, of the accused; the likelihood of the accused absconding or evading the process of law; the possibility of influencing or intimidating witnesses; the likelihood of tampering with or destroying evidence; the propensity, if discernible from the material on record, to commit a similar or further offence; the possibility of repetition of the offence; the stage and progress of investigation or trial; the period of incarceration already undergone; the likelihood of the trial being concluded within a reasonable time; the possibility of the accused being subjected to an unduly prolonged incarceration without adjudication of guilt; and the existence of any special or compelling circumstance which may bear upon the question of release on bail. The Court may also, depending upon the nature of the accusation(s), take into consideration the manner in which the offence is alleged to have been conceived and executed, whether the alleged criminality is individual or forms part of an organized or concerted design, the number of persons allegedly involved, the extent of the alleged financial or pecuniary benefit derived, the magnitude of the loss caused, the vulnerability of the victims, the sophistication employed in perpetrating the alleged offence, and whether the accused is alleged to have occupied a position of authority, trust or control which was utilized in the commission of the offence. Equally

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relevant consideration may be the conduct of the accused before and after registration of the case, including cooperation with the investigation, compliance with previous orders, attempts to evade the process of law, or conduct which is suggestive of an endeavour to frustrate the investigation or trial.

7.1. The aforesaid considerations acquire a somewhat distinct complexion in cases involving economic offence(s). At the core of our constitutional and legal jurisprudence lies the imperative that the national economy and public wealth must subserve the common good and vision of a welfare state, unhindered by fraudulent depredations. It is this mandate of distributive justice and egalitarian welfare that economic offence(s) violently subvert. Economic Offence(s) corrode the fabric of democracy and are committed with total disregard to the rights and interest of the nation and are committed by breach of trust and faith and are against the national economy and national interest. Far from being isolated infractions of private law, these calculated, sub-terranean depredations; whether executed through sophisticated corporate syndicates, digital subterfuge, or fiduciary deceit, strike directly at the heart of the national exchequer. Operating within a cool, pre-mediated design, they weaponise regulatory lacunae to siphon off public wealth, reducing the constitutional promise of common security to a cruel mockery and rendering the collective citizenry of the nation the silent victims of financial pillage. Economic offence(s) are frequently characterized by calculated design, deliberation, sophistication and a conscious abuse of financial, commercial and fiduciary mechanisms. Unlike an offence which may be committed in a moment of passion, impulse or



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sudden provocation, an economic offence(s) may, indubitably depending upon its factual matrix, involve a preconceived course of conduct, preparation, manipulation of records or transactions, diversion or layering of funds, creation of fictitious documentation, misuse of corporate or fiduciary structures, concealment of the proceeds or coordinated participation of several persons. In essence, it is nothing more than the cold-blooded institutionalized mugging of the public treasury dressed up in a tailored-suit.

7.2. This distinction assumes particular significance where the material collected during investigation, *prima facie*, does not merely disclose a general or omnibus allegation against the accused, but contains specific and direct material connecting the individual with the alleged transaction or the *modus operandi* of the offence. Where the accusation is founded upon identifiable transactions, documentary material, financial trails, communications, corporate records, statements, digital evidence or other contemporaneous material which, at the stage of consideration of bail, *prima facie* attributes a definite and active role to the accused, the Court would necessarily be required to approach the prayer for bail with greater circumspection. The Court is not expected, at the stage of bail, to conduct a meticulous appreciation of evidence as would be undertaken at trial; nevertheless, it is equally impermissible to disregard material of substantial probative significance which, on a *prima facie* assessment, demonstrates a direct nexus between the accused and the alleged criminal conduct.

8. Adverting to the factual conspectus of the *petition in hand*, the allegations against the petitioner are grave and serious in nature. The petitioner is not merely a mentor, but from the material collected during the



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course of investigation *prima facie* discloses his active association with the Vuenow Group of Companies involved in the alleged money laundering scheme. The prosecution has specifically attributed the role to the petitioner that he was associated with the business activities of the entities in question, participation in seminars and interaction with investors. The plea of the petitioner that he was only a mentor and was paid remuneration also cannot be accepted at this stage. In the considered opinion of this Court, the nature and source of funds received by the petitioner, as well as their connection with the proceeds of crime, are matters which requires appreciation of evidence during the course of trial and cannot be conclusively determined at the stage of considering the plea for grant of regular bail. Furthermore, the fact that the petitioner was not named in the FIRs relating to scheduled offences does not, by itself, confer him any right as the offence of money laundering is a distinct offence under the PMLA and the role of an accused has to be considered on the basis of material collected by *ED* during the course of investigation.

8.1. The material placed on record by the respondent-*ED prima facie* indicates a considerable disparity between the quantum of cloud-storage capacity allegedly sold to investors and the actual operational capacity found during the course of search proceedings. The prosecution has further relied upon statement(s) which indicate that the rental payments to earlier investors were being made out of investments received from subsequent investors.

8.2. The aforesaid material, when taken at its face value for the limited purpose of deciding the present bail application, cannot be brushed



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aside as it does not merely relate to an ordinary commercial dispute. The allegations pertain to a structured financial arrangement involving multiple corporate entities, numerous investors and substantial financial transactions. *Prima facie*, the material relied upon by the prosecution, including the statements recorded during the investigation, documentary and financial material and the transactions undertaken through entities allegedly connected with the main accused, cannot be discarded or disbelieved at this stage. The allegations against the petitioner are not only with regard to his alleged association/nexus with the other accused but upon his purported involvement in the transactions and activities which, according to the prosecution, were connected with the proceeds of crime.

8.3. The fact that the petitioner was allegedly paid an amount of approximately Rs.3.24 crore over a period of 05 years also cannot be considered in isolation, particularly when considered in the backdrop of the nature of the business activities and the financial transaction as alleged by the prosecution. The prosecution has also placed material to *prima facie* connect the petitioner with the affairs and management of the concerned entities as also his active participation in seminars and interaction with investors to lure them. The question as to whether the material relied upon by the prosecution would withstand the test of trial, is a matter which cannot be adjudicated upon conclusively at this stage of considering the plea for grant of regular bail. The evidentiary value of the statements, banking records and other material relied upon by either side is ultimately required to be determined during the course of trial. The material relied upon by the respondent-ED, at this stage, *prima facie* reflects that the role attributed to



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the petitioner is required to be examined in the context of the larger conspiracy and the alleged laundering of proceeds of crime.

The ECIR in question was registered on 25.11.2024. The petitioner was arrested on 24.02.2025 and the prosecution complaint in the present matter has already been instituted and the trial proceedings are underway. The prosecution complaint cites 52 prosecution witnesses, whose evidence would be material for determining the allegations levelled against the petitioner. The allegations against the petitioner being direct and specific, the examination of key witnesses, thus, assumes significance. The witnesses cited by the prosecution, including key witnesses, are yet to be examined & therefore, the effect of such evidence cannot be assessed at this stage. The trial is required to proceed in accordance with law and this Court cannot, at this stage, prejudge the evidentiary value of the statements or documents relied upon by either side, *lest* it may prejudice the trial. At this juncture, there is no basis *nay* tangible basis, whereupon this Court is satisfied that there are reasonable grounds for believing that the petitioner is not guilty of the offence(s) as alleged.

8.4. The petitioner is in custody for a period of about 01 year and 07 months. This period, by itself, cannot be construed to be sufficient, at least for the *nonce*, to afford the benefit of bail to the petitioner on the ground of his long incarceration when considered *vis.-a-vis*. the present stage of trial in the backdrop of the egregious nature etc. of the allegations which are not that of *simpliciter* violation(s) of regulatory rules/law(s), but constitute a deliberate design to defraud and cheat investors (on the pretext of assured higher returns) and thereafter resorting to layering and laundering



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of the proceeds of crime. The prosecution complaint has been filed but the material witnesses are yet to be examined & the custody period has not progressed to such a stage as would warrant interference merely on the ground of the period of incarceration already suffered by the petitioner.

8.5 Keeping in view the entirety of the factual *milieu* of the *petition in hand*, this Court does not deem it appropriate to afford regular bail to the petitioner at this stage.

9. In view of the prevenient ratiocination, it is ordained thus:

- (i) The petition in hand is devoid of merits and is hereby dismissed, for the *nonce*.
- (ii) Any observations made and/or submissions noted hereinabove shall not have any effect on merits of the case and the trial Court shall proceed further, in accordance with law, without being influenced with this order.
- (iii) Pending application(s), if any, shall also stand disposed of.

(SUMEET GOEL)
JUDGE

September 18, 2026
Ajay

Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No