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Crl.O.P.No.13403 of 2026



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 07.07.2026

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THE HONOURABLE Mr. JUSTICE C.KUMARAPPAN

Crl.O.P.No.13403 of 2026

Shri.Aashish Jain

... Petitioner

Vs.

Directorate of Enforcement,
Represented by the Assistant Director,
Directorate of Enforcement, Chennai Zonal Office-I,
BSNL Administrative Building, Kush Kumar Road,
Nungambakkam, Chennai – 600 034.

... Respondent

PRAYER : Criminal Original Petition filed under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023, to enlarge the petitioner/accused on bail, in connection with ECIR/CEZO-I/61/2021 dated 06.01.2022, on the file of the respondent/Enforcement Directorate, Chennai.

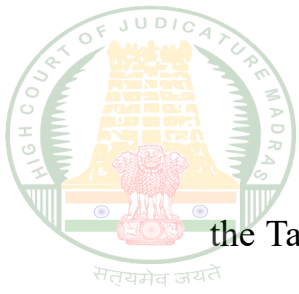
For Petitioner : Mr.S.Xavier Felix

For Respondent : Mr.P.Sidharthan,
Special Public Prosecutor

ORDER

The petitioner, who was arrested on 24.11.2025 and remanded to judicial custody on 25.11.2025 for the alleged offences punishable under Sections 3 & 4 of Prevention of Money Laundering Act, 2002 r/w. Sections 120-B, 465, 468, 471, 477A, 420 and 34 of the Indian Penal Code, 1860 in connection with ECIR/CEZO-I/61/2021, on the file of the respondent police, seeks bail.

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2. The case of the prosecution is that, based on a complaint lodged by the Tahsildar, Sriperumbudur Taluk, an FIR came to be registered alleging that the petitioner, in collusion with the then Tahsildar and the Assistant Settlement Officer, fraudulently obtained Patta in respect of Government land measuring 7.67 acres situated in Survey No.310/1, Bheemanthangal Village. It is alleged that, on the strength of such forged documents, the petitioner received compensation of Rs.30.09 Crores from the National Highways Authority of India towards acquisition of the said land, thereby causing wrongful loss to the Government. Since the alleged acts constitute scheduled offences under the Prevention of Money Laundering Act, 2002, the Directorate of Enforcement registered ECIR No.CEZO-1/61/2021 dated 06.01.2022 for the offence of money laundering under Sections 3 and 4 of the PMLA. Hence, the case.

3. The learned counsel for the petitioner would contend that the petitioner was initially remanded to judicial custody on 23.06.2021 in connection with the scheduled offence of cheating and, after undergoing incarceration for a period of 47 days, he was enlarged on bail on 09.08.2021. Thereafter, the petitioner was again remanded to judicial custody on 25.11.2025 for the offences punishable under Sections 3 and 4 of the Prevention of Money Laundering Act, 2002 (hereinafter referred to as "the



PMLEA"), read with the scheduled offence. The learned counsel would further submit that, even according to the prosecution, the scheduled offence relates only to the alleged act of cheating and not to the receipt of compensation from the National Highways Authority of India. Therefore, it is contended that the continued incarceration of the petitioner since 25.11.2025 amounts to an infringement of his fundamental right guaranteed under Article 21 of the Constitution of India.

3.1. In support of the above contention, the learned counsel would submit that the subject property originally belonged to one Venugopal Reddyar, who entered into a sale agreement dated 06.03.2000 with the petitioner. Subsequently, a registered sale deed came to be executed in the year 2004 in respect of an extent of 7.67 acres, and patta was also transferred in the petitioner's name during the same year. It is his submission that the acquisition proceedings were initiated only in the year 2016. Therefore, according to the learned counsel, there could not have been any act of cheating against the National Highways Authority of India.

3.2. The learned counsel for the petitioner also placed reliance upon the judgment of the Hon'ble Supreme Court in *Syed Iftikhar Andrabi Vs. National*



Investigation Agency, reported in **2026 SCC OnLine SC 881**, and would

contend that the three-Judge Bench judgment of the Hon'ble Supreme Court in

Union of India Vs. K.A. Najeeb, reported in **(2021) 3 SCC 713**, has

categorically held that bail is the rule and jail is the exception, and that the said principle is founded upon the constitutional primacy of personal liberty guaranteed under Article 21 of the Constitution of India. According to the learned counsel, such a constitutional guarantee cannot be completely displaced by statutory restrictions on the grant of bail. Hence, he prayed that the petitioner may be enlarged on bail.

5. Per contra, the said contention was stoutly opposed by the learned Special Public Prosecutor and would contend that the Hon'ble Supreme Court in **Vijay Madanlal Choudhary and Others Vs. Union of India**, reported in **2022 LiveLaw (SC) 633**, has upheld the constitutional validity of Section 45(1) (ii) of the PMLA. Therefore, the ordinary principles governing grant of bail are not applicable to offences under the PMLA. He would further submit that the judgment relied upon by the learned counsel for the petitioner in **Syed Iftikhar Andrabi's case** (cited supra) is factually distinguishable, inasmuch as the accused therein had undergone incarceration for a substantially longer period,



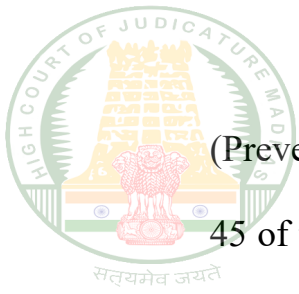
whereas the petitioner in the present case was remanded to judicial custody only on 25.11.2025.

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5.1. It is the further contention of the learned Special Public Prosecutor that there are no reasonable grounds for believing that the petitioner is not guilty of the offence, as the very transfer of patta in his favour was allegedly secured on the strength of a fabricated order of the Assistant Settlement Officer. Therefore, notwithstanding the fact that the patta was transferred in the year 2004, much prior to the acquisition proceedings, the fact remains that the petitioner is alleged to have obtained the patta on the basis of a fabricated document, thereby constituting the scheduled offence of cheating. Consequently, the rigour of Section 45(1)(ii) of the PMLA squarely applies and the petitioner has failed to satisfy the twin conditions prescribed therein. Hence, he prayed for dismissal of the bail petition.

6. I have given my anxious consideration to either side submissions.

7. As rightly contended by the learned counsel for the petitioner, the Hon'ble Supreme Court in *Syed Ifikhar Andrabi's case* (cited supra), while considering the pari materia provisions under the Unlawful Activities



(Prevention) Act, 1967, which also prescribe twin conditions similar to Section 45 of the PMLA, has, after an elaborate survey of earlier precedents, reiterated that bail is the rule and jail is the exception and that the constitutional guarantee of personal liberty cannot be rendered illusory merely because of statutory restrictions. However, as rightly pointed out by the learned Special Public Prosecutor, the constitutional validity of Section 45 of the PMLA has been upheld by the Hon'ble Supreme Court in *Vijay Madanlal Choudhary's case* (cited supra). Nevertheless, the judgment in *Syed Iftikhar Andrabi's case* (cited supra) makes it abundantly clear that the rigour under Section 45 is required to be examined on the touchstone of whether the accused has placed sufficient materials before the Court to enable it to form a prima facie opinion that he is not guilty of the offence alleged.

8. Therefore, this Court is of the considered view that the judgment relied upon by the learned counsel for the petitioner is also subject to the satisfaction of the twin conditions prescribed under Section 45 of the PMLA. It is, therefore, incumbent upon the petitioner to place before this Court reasonable grounds to *prima facie* demonstrate that he is not guilty of the offence alleged and that he is not likely to commit any offence while on bail.



Unless the petitioner satisfies the said statutory threshold, he cannot seek the relief of bail.

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9. Coming to the factual matrix of the present case, though the petitioner may not have obtained the patta with the object of claiming compensation in the acquisition proceedings, the scheduled offence alleged against him is one of cheating. The offence of cheating is not confined to any particular individual or authority. If the materials placed by the prosecution are examined, it is seen that the petitioner obtained patta in his name on the strength of an order purportedly issued by the Assistant Settlement Officer. However, the prosecution would contend that the said order does not pertain to the subject property but relates to lands situated at Thiruninravur Village, Poonamallee Taluk altogether a different property.

10. The reliance placed upon the said document has already been examined in the proceedings cancelling the patta standing in the name of the petitioner. The Principal Secretary/Commissioner of Land Administration, by proceedings in Nos. K1/9802/2020-1 and K1/9802/2020-2, dated 17.03.2021, has categorically recorded the aforesaid findings, and the said findings have



attained finality. Therefore, the allegation of cheating in obtaining the patta stands prima facie established.

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11. On a perusal of the entire materials available on record, this Court is unable to find any material contradicting the findings recorded by the Principal Secretary/Commissioner of Land Administration. In other words, the petitioner has failed to place any material before this Court to overcome the rigour of Section 45 of the PMLA. Though reliance has been placed upon the order passed in W.P.No.33933 of 2019 etc., batch, dated 28.07.2023, the same, in the considered view of this Court, does not advance the case of the petitioner. In such circumstances, this Court does not find any ground to enlarge the petitioner on bail.

12. Accordingly, this Criminal Original Petition is dismissed.

07.07.2026

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To

1. The Assistant Director,
Directorate of Enforcement, Chennai Zonal Office-I,
BSNL Administrative Building, Kush Kumar Road,
Nungambakkam, Chennai – 600 034.

2. The Public Prosecutor, High Court of Madras.



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C.KUMARAPPAN.J.

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