

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION**

CRIMINAL WRIT PETITION NO.293 OF 2024

**BASAVRAJ
GURAPPA
PATIL**

Alpesh Navinchandra Gosalia

.. Petitioner

Vs.

State of Maharashtra,

Through its Chief Secretary and Ors.

.. Respondents

**CORAM : SHREE CHANDRASHEKHAR, CJ. &
GAUTAM A. ANKHAD, J.**

Reserved on : 17th December 2025

Pronounced on : 24th December 2025

(Appearances vide-Appendix-I)

PER, Shree Chandrashekhar, CJ:

The petitioner seeks a direction to the State of Maharashtra, Union of India, Serious Fraud Investigation Office, Securities and Exchange Board of India, Reserve Bank of India, Commissioner of Police, Mumbai, Senior Inspector of Police, Enforcement Directorate, Central Bureau of Investigation and Economic Offences Wing, Mumbai to register a First Information Report/ECIR or to institute other appropriate proceedings for an independent expeditious, effective and meaningful investigation into the various crimes committed by the respondent nos.11 to 25 and 28 to 46 and their accomplices and agents under sections 406, 409, 420, 421, 120-A read with section 34 of the Indian Penal Code, 1860, Prevention of Money Laundering Act, 2002, Prevention of Corruption Act, 1988 and Foreign Exchange Management Act, 1999. He seeks a further direction to the SEBI, RBI and other government Agency to take appropriate action for preventing further fraud and siphoning off public money. He has made a specific prayer for causing an investigation against

25th respondent-Bhagvanji Raiyani who instituted a Public Interest Litigation through “Janhit Manch” for illegal and unlawful gains and extortion.

2. The petitioner who states that he is engaged in the business of iron and steel trading for 33 years seeks enforcement of his rights to bring to book the accused persons who, according to him, were involved in enormous financial frauds causing severe financial loss and injury to him and others. He makes specific allegations against Indiabulls Housing Finance Ltd., Honest Shelters Pvt. Ltd., Ashdan Developers Pvt. Ltd. and 31 other Corporate entities and individuals who floated shell companies, laundered money and filed a Public Interest Litigation to extort money. The petitioner states that a residential project “Palais Royale” was launched by 26th respondent-Shree Ram Urban Infrastructure Ltd. (in short, “SRUIL”) with an estimated cost of Rs.10,000 crores. The petitioner and his companies, namely, A. Navinchandra Steel Ltd. and Akai Steels Ltd. were major suppliers of steel to the SRUIL which had certain disputes with a real estate competitor. The respondent no.25 filed Public Interest Litigation No.43 of 2012 alleging violations of the building rules by the SRUIL. The order passed in the said PIL was challenged before the Hon’ble Supreme Court and the said PIL was dismissed on 24th October 2019. But, in the meantime, the Project was stalled due to the stoppage of work direction issued by the Bombay Municipal Corporation. As a consequence thereof, the SRUIL suffered financial difficulties and committed defaults in payment of Rs.30 crores to the petitioner’s company for supply of steel. The petitioner’s company instituted Summary Suit No.626 of 2014 which was decreed in its favour by a judgment delivered on 7th

October 2015. However, the petitioner's company suffered handicaps in executing the decree dated 7th October 2015 on account of a series of orders passed in Company Petition No.1066 of 2015 which was filed by the respondent no.17-Action Barter Private Limited. The petitioner makes allegations against the respondent no.13-Atul Chordia, the respondent no.38-Himanshu Lohia and the respondent no.24-Avi Agarwal who, according to him, are financial mafias and operate under the facade of the Indiabulls Housing Finance Ltd. These individuals and the Corporate entities are responsible for ruining the SRUIL through Janhit Manch and floated the Honest Shelters Pvt. Ltd., a shell company, which was registered in 2014. The petitioner states that this shell company had share capital of Rs. 1,00,000/-, revenue generated by it was zero, other incomes were zero and its total expenses was Rs.59,779/- as on 31st March 2019. Surprisingly, 16th respondent-Honest Shelters Pvt. Ltd. acquired the "Palais Royale" apartments in an auction conducted under the SARFAESI Act in July 2019. The petitioner claims that the Indiabulls Housing Finance Ltd. which is the synonym for fraud and forgery provided more than Rs.7,000 crores to the Atul Chordia Group of company out of which about Rs.800 crores was used to enable the Honest Shelters Pvt. Ltd. to acquire the Project.

3. The Indiabulls Housing Finance Ltd. has filed its affidavit in opposition raising a question on maintainability of this writ petition. The respondent no.16 has challenged the *locus-standi* of the petitioner. It is stated that the present writ petition is an egregious instance of forum shopping. The petitioner cannot invoke the jurisdiction of this Court under Article 226 of the Constitution of India to seek such reliefs which cannot be granted

in view of the orders passed by the Debts Recovery Tribunal, National Company Law Tribunal and Hon'ble Supreme Court. The respondent no.16 has labeled the petitioner as a habitual litigant who filed multiple proceedings in various forums with respect to the same cause of action. The respondent no.16 has stated that the petitioner filed at least two securitization applications before the Debts Recovery Tribunal-II at Mumbai against the respondent nos.15 and 16. The petitioner's company filed Review Application (L) No.18534 of 2022 seeking review of the order dated 2nd May 2022 by which the Official Liquidator was directed to handover the keys of the public parking to the MCGM and the said review application has been dismissed. The order dated 23rd October 2024 dismissing the said review petition was challenged in Special Leave Petition (C) Diary No.40573 of 2025 and the same was dismissed by the Hon'ble Supreme Court on 22nd August 2025. The petitioner's company filed several other applications, such as, Interim Application No.13060 of 2021, Review Application (L) No.18549 of 2022 etc. which are pending for final disposal. It is stated that the petitioner has filed its claim before the Resolution Professional which was appointed pursuant to the order dated 6th November 2019 passed by the NCLT initiating the Corporate Insolvency Resolution Process of the SRUIL. The claim of Rs.17.22 crores has been admitted by the Resolution Professional for the petitioner who raised a claim of Rs.32.18 crores as an Operational Creditor.

4. Mr. Mathews Nedumpara, the learned counsel for the petitioner submitted with reference to a flow chart of rotation of funds by the Indiabulls Housing Finance Ltd. that the Honest Shelters Pvt. Ltd. received Rs.750 crores from the Indiabulls Real

Estate Funds and the Indiabulls Housing Finance channeled through the Ashdan Township Ventures Pvt. Ltd. and the Ashdan Developers Pvt. Ltd. on the same day, that is, on 25th June 2019 and purchased the assets of the SRUIL worth Rs.705 crores. The learned counsel submitted that the Chordia Holding Construction received Rs.926 crores from some fake entity and the said Company transferred Rs.826 crores to the Honest Shelters Pvt. Ltd. which repaid the loans to the Ashdan Township Ventures Pvt. Ltd. and the Ashdan Developers Pvt. Ltd. and ultimately the fund was transferred to the Indiabulls Real Estate Fund.

5. Mr. Mathews Nedumpara, the learned counsel for the petitioner further submitted that the maxim "*Nemo Debet Bis Vexari Pro Una Et Eadem Causa*" is a fundamental rule which forbids a man to be tried or punished twice for one and the same offence. The quashing of the ECIR registered by the Enforcement Directorate shall not pose any difficulty for the petitioner to seek an investigation by the CBI into the massive financial frauds committed by the Indiabulls Housing Finance Ltd., Honest Shelters Pvt. Ltd. and others. It is submitted that the distinction with the previous proceedings is that the present proceeding is not between the same parties with the same prayer and for the same cause of action.

6. Mr. Darius Shroff, the learned senior counsel for the respondent no.15 referred to grounds raised by the petitioner at "L" and "M" and submitted that the petitioner has made similar and identical prayers in other proceedings. The learned senior counsel raised several objections and submitted that the writ petition suffers from suppression of material facts. Mr. Darius Shroff contended that the issues which stand concluded by the

decisions of the competent Courts cannot be re-agitated and re-opened in a writ proceeding. The learned senior counsel indicated that the petitioner approached different other Forums like the Debts Recovery Tribunal and the information with respect to which has not been disclosed in this writ petition. Mr. Manoj Mohite, the learned senior counsel appearing for the respondent nos.11 to 13 raised an issue in law as to the jurisdiction of this Court to issue direction to the Investigating Officer to register a First Information Report while referring to the decision in "*Sakiri Vasu*"¹. He referred to page no.536 of the petition to demonstrate that on identical facts a review petition was filed by the petitioner's company. The learned counsels appearing for the appearing parties have also made similar submissions to oppose this writ petition.

7. Briefly stated, the SRUIL was extended seven loans to the tune of Rs.915 crores by the Indiabulls Housing Finance Ltd. for constructing the Project and created a security in favor of the Indiabulls Housing Finance Ltd. In Company Petition No.1066 of 2015, the Indiabulls Housing Finance Ltd. filed an application for a direction to the Provisional Liquidator to handover physical possession of the mortgaged properties to the Secured Creditor. By an order dated 7th February 2019, the High Court allowed the said application in view of the decision in "*Pegasus Assets Reconstruction Pvt. Ltd.*"² and directed the Provisional Liquidator to handover possession of the mortgaged property to the Indiabulls Housing Finance Ltd. The High Court further directed that the Indiabulls Housing Finance Ltd. shall conduct the sale of the

¹ *Sakiri Vasu v. State of Uttar Pradesh & Ors.* (2008) 2 SCC 409

² *Pegasus Assets Reconstruction Pvt. Ltd. v. Haryana Concast Ltd. & Anr.* (2016) 4 SCC 47

property in consultation with the Official Liquidator and deposit the sale proceeds or a part thereof in the High Court as and when the Court directs it for the purpose of payment to the workers under section 529A of the Companies Act, 1956. Before that, the Company Judge had issued a direction on 5th October 2016 to the Provisional Liquidator to take charge of the assets and properties of the SRUIL in Company Petition No.1066 of 2015. In another application filed in Company Petition No.1066 of 2015, the petitioner's company made allegations against the Indiabulls Housing Finance Ltd. of committing the breach of the order dated 7th February 2019 by not consulting the Official Liquidator for sale of the mortgaged property. The petitioner's company made a series of prayers in the said interim application and one of the prayers was for recovering an amount of Rs.705 crores from the Indiabulls Housing Finance Ltd. which was the sale consideration of the illegal sale of the mortgaged property. There were prayers for setting aside the sale of the mortgaged property and a CBI investigation into the transactions of Rs.878 crores to the Ashdan Developers Pvt. Ltd., Ashdan Township Ventures Pvt. Ltd., Choradia Holdings and Construction Pvt. Ltd. and Mittal Brothers Pvt. Ltd. There was also a prayer for the CBI investigation to trace the source of Rs. 527 crores to the Beacon Trusteeship Ltd. There were as many as fourteen prayers made therein. Pertinently, in Review Petition (L) No.18534 of 2022, the petitioner's company took a similar plea that the sale conducted by the Indiabulls Housing Finance Ltd. under the SARFAESI Act and sale to the Honest Shelters Pvt. Ltd. was a fraudulent transaction. As noticed above, the review petition was dismissed and Special Leave Petition (C) Diary No. 40573 of 2025 challenging that

order was dismissed by the Hon'ble Supreme Court.

8. There were criminal proceedings which are closed by virtue of the decisions of the High Courts and Hon'ble Supreme Court. The Indiabulls Housing Finance Ltd., Rajiv Gandhi and Santosh Khopade filed Writ Petition No.1805 of 2021 which was heard along with Writ Petition No.6812 of 2021 filed by Atul Chordia. These writ petitions were directed against the order dated 7th April 2021 in O.M.A. No.105 of 2021 passed by the Judicial Magistrate, First Class, Wada. A related prayer thereto was for quashing of the First Information Report vide Crime No.0129 of 2021 registered on 13th April 2021 under sections 420, 465, 467, 468, 469, 470 and 471 r/w section 120(B) of the Indian Penal Code, 1860 against them. A Division Bench of the Bombay High Court formed an opinion that there was no material before the Magistrate except bare allegations by the complainant to pass an order under section 156(3) of the Code of Criminal Procedure. The High Court referred to the decisions in "*Priyanka Shrivastava*"³ and "*Babu Venkatesh*"⁴ and held that the Magistrate passed the order dated 7th April 2021 without application of mind and following the procedure in law. The complaint filed by Ashutosh Vijay Kamble and all further proceedings thereunder were quashed by this Court by an order dated 8th April 2022. This is a matter of record that the Special Leave Petition filed by the Enforcement Directorate came to be disposed of on 12th February 2024 with an observation that the Enforcement Directorate may resort to two independent proceedings such as; (i) approaching the Judicial Magistrate under section 156(3) of the CrPC and (ii) filing a review

³ *Priyanka Shrivastava & Anr. v. State of Uttar Pradesh & Ors.* (2015) 6 SCC 287

⁴ *Babu Venkatesh & Ors. v. State of Karnataka & Anr.* 2022 SCC OnLine SC 200

petition before the High Court of Bombay for the clarification of the impugned judgment to the extent that it shall have no effect on its right. Pursuant thereto, the application filed by the Enforcement Directorate under section 175(3) of the Bharatiya Nagarik Suraksha Sanhita, 2023 seeking a direction for registration of the First Information Report against the Indiabulls Housing Finance Ltd. and others was dismissed on 1st October 2024. In the said order, the Judicial Magistrate, First Class held that there is nothing on the record to show that the Enforcement Directorate approached the police under section 173 of the Bharatiya Nagarik Suraksha Sanhita, 2023 and the application filed by it vide Criminal Misc. Application No.42 of 2024 was based on the facts mentioned in Crime No.0129 of 2021. The Judicial Magistrate further took a note of the fact that the High Court has quashed the First Information Report on the ground that no part of transaction was undertaken within the jurisdiction of the Court at Wada.

9. This is also a matter of record that a batch of writ petitions filed by the Indiabulls Housing Finance Ltd., Indiabulls Assets Management Co. Ltd. and certain individuals vide Writ Petition (CRL) No. 408 of 2022 and analogous cases were heard by a Division Bench of the Delhi High Court. The prayer made therein to declare sections 2(1)(u), 50 and explanation under section 44 of the Prevention of Money Laundering Act, 2002 as unconstitutional was dismissed as infructuous in view of the decision in “*Vijay Madanlal Choudhary*”⁵. In its decision dated 26th September 2022, the Delhi High Court held that ECIR/07/HIV/2021 registered by the Enforcement Directorate without any evidence of a predicate

⁵ *Vijay Madanlal Choudhary & Ors. v. Union of India & Ors.* 2022 SCC OnLine SC 929

offence or any subsisting First Information Report lodged against the accused persons was not permissible. One of the grounds urged on behalf of the Enforcement Directorate was that the Special Leave Petition filed by it to challenge the order dated 4th May 2022 by which the First Information Report vide Crime No.0129 of 2021 was quashed by the Bombay High Court was pending before the Hon'ble Supreme Court. The Delhi High Court held that the Special Leave Petition filed by the Enforcement Directorate which was not a party in writ proceedings before the High Court of Bombay shall not dilute or erode the finality of the order passed by the High Court.

10. Admittedly, there are adjudications on fact by the different Courts and Tribunals. There are binding decisions of the competent Courts of jurisdiction and a few proceedings are still pending before different judicial Forums. After a series of litigations, the mortgaged property was put on public e-auction and a part of the secured property was purchased by the Honest Shelters Pvt. Ltd. The said e-auction was conducted under the directions of the High Court in Company Petition No.1066 of 2015 under the SARFAESI Act, 2002 and the sale was confirmed. The auction conducted by the Indiabulls Housing Finance Ltd. was affirmed and possession of the secured property was given to the Honest Shelters Pvt. Ltd. There are orders passed in the interim applications filed in Company Petition No.1066 of 2015 by which a challenged laid to the sale of secured property has failed. Furthermore, there was a proceeding by the Indiabulls Housing Finance Ltd. which filed an application under section 7 of the Insolvency and Bankruptcy Code, 2016. That petition was dismissed by the National Company Law Tribunal, Mumbai by an

order dated 18th May 2018 on the ground that the said application was not maintainable in view of the winding up proceeding against the Corporate Debtor initiated by the High Court of Bombay. Challenging the said decision of the NCLT, the Indiabulls Housing Finance Ltd. preferred Company Appeal (AT) (Insolvency) No.252 of 2018. This Insolvency Appeal was dismissed on 30th May 2018 which is a matter of challenge before the Hon'ble Supreme Court in Civil Appeal No.6814 of 2018.

11. The petitioner seems to be a disgruntled person who seeks registration of the First Information Report and investigation by the CBI on the basis of certain financial transactions between the parties which were examined by different Courts, Tribunals etc. The petitioner's company which raised a total claim for Rs. 32.18 crores has received approval of the Resolution Professional for more than half of its claim and the rest of his claim is pending inquiry. The Project at Worli is no longer an asset of the SRUIL after the sale of the Project in favor of the Honest Shelters Pvt. Ltd. The SRUIL is not seeking any inquiry or investigation by this Court alleging financial fraud by certain individuals and the Corporate entities. The facts stated in this writ petition do not lay a foundation for a direction by this Court for the registration of a First Information Report. The petitioner has arrayed 37 Corporate entities and private individuals many of whom, such as, the respondent nos.11, 12, 13 and 35 claim that they have no connection whatsoever with the SRUIL.

12. The attempt by the petitioner to invoke extraordinary jurisdiction of the High Court under Article 226 of the Constitution of India has no foundation in law and is completely misdirected and misconceived. This is a settled law that the High

Court in exercise of the jurisdiction under Article 226 of the Constitution of India shall not issue a direction for registration of a criminal case except in exceptional circumstances and for compelling reasons. No such foundation has been laid in this writ petition. The principle underlying double jeopardy is not applicable in this case and registration of a First Information Report at the instance of the petitioner is not permissible in law. In "*Sakiri Vasu*"⁶, the Hon'ble Supreme Court referred to the scheme in the Code of Criminal Procedure, 1973 which provides a remedy to the aggrieved party and held that the High Court should not ordinarily interfere in the matter where there is an alternative remedy to the aggrieved party. In our opinion, the decision in "*Lalita Kumari*"⁷ cannot be applied with eyes closed and the reasoning faculty put on sleep mode. In a series of judgments including "*Vinay Tyagi*"⁸, the Hon'ble Supreme Court observed that the power to direct CBI investigation is to be exercised sparingly and in exceptional circumstances. In "*Rajesh Gandhi*"⁹, the Hon'ble Supreme Court observed that no one can insist that an offence should be investigated by a particular agency. There is no iota of evidence to show that the Honest Shelters Pvt. Ltd. is a shell company floated by the Indiabulls Housing Finance Ltd. It is not shown that the financial transactions between the Honest Shelters Pvt. Ltd. and the other Corporate entities were barred under any law. It is also not demonstrated before the Court that the private settlement or arrangement between the Action Barter Pvt. Ltd. and the Honest Shelters Pvt. Ltd. was not permissible in law. This writ petition is a kind of public interest litigation which

⁶ *Sakiri Vasu v. State of UP & Ors.* (2008) 2 SCC 409

⁷ *Lalita Kumari v. Government of Uttar Pradesh & Ors* (2014) 2 SCC 1

⁸ *Vinay Tyagi v. Irshad Ali @ Deepak & Ors.* (2013) 5 SCC 762

⁹ *Central Bureau of Investigation & Anr. v. Rajesh Gandhi & Anr.* (1996) 11 SCC 253

seeks a roving inquiry into the alleged financial frauds committed by certain individuals and Corporate entities.

13. This is in public interest that the binding determinations and decisions of the Court, Tribunal, etc. are not reopened. The judicial discipline and propriety are the foundations for the rule of law. The dismissal of Special Leave Petition No. 2138 of 2024 affirming the judgment rendered by the Bombay High Court in Writ Petition (Criminal) Nos. 1805 of 2021 and 6812 of 2021 with liberty granted to the Enforcement Directorate to take appropriate steps in accordance with law constitutes a binding decision. The petitioner was not the complainant in Crime No.0129 of 2024 and cannot pose himself as an affected party on the ground that his companies could not recover the loan amount from the SRUIL. The pleadings in this writ petition and the prayers made thereunder are so expansive and widely worded that every order passed by the Company Court, NCLT, NCLAT, High Court and Hon'ble Supreme Court shall touch upon one or the other aspects dealt with by the petitioner in this writ petition.

14. In the aforementioned facts and circumstances, we see no reason to entertain Writ Petition No.293 of 2024 which is, accordingly, dismissed.

[GAUTAM A. ANKHAD, J.]

[CHIEF JUSTICE]

APPENDIX-I

Mr. Mathews Nedumpara a/w. Ms. Hemali Marva, Ms. Maria Nedumpara , Ms. Sweta Dadheech i/b. Nedumpara & Nedumpara, Advocates for the Petitioner.

Ms. M. M. Deshmukh, I/C Public Prosecutor with Mr. S. V. Gavand, APP for Respondent No.1-State.

Ms. Manisha Jagtap, Advocate for Respondent No.3-SFIO

Mr. Omprakash Jha i/by The Law Point, Advocates for Respondent No.4-SEBI

Mr. Pradeep Mane a/w Ms. Riddhi Badheka i/b Desai & Diwanji for the Respondent No.5-RBI

Mr. Kuldeep Patil a/w, Mr. Sumit Nimbalkar, Anay S. Joshi, Advocates & Ms. Sanika Joshi for Respondent No.9-CBI.

Mr. Manoj Mohite, Senior Advocate, i/by Smita Durve and Arshil Shah, Advocates for Respondent Nos.11 to 13.

Mr. Darius Shroff, Senior Advocate a/w. Mr. Kartikeya Desai & Ms. Sayli Shinde i/b. M/s. Kartikeya & Associates, Advocates for Respondent No.15-Indiabulls Housing Finance Ltd.

Mr. Mayur Khandeparkar a/w Ms. Sonam Mhatre, Saloni Sulakhe, Declan Fernandez and Shloak Sanghvi i/by Dhaval Vussonji & Associates, Advocates for Respondent Nos. 16, 22 to 24 and 38 and 39.

Ms. Sayli Shinde i/b. M/s. Kartikeya & Associates, Advocates for Respondent No.19.

Mr. Rahul P. Jain i/b. Alpha chambers, Advocates for Respondent Nos.20 and 21

Mr. Jagdish B. Choudhary i/by M/s. Raj Legal, Advocates for Respondent No.30.

Mr. Vedant Bende i/b Mr. Mandar Limaye, Advocates for Respondent No.34.

Mr. Vaibhav Singh a/w Mr. Manas Kotak, Ms. Vidhi Basrani i/by Veritas Legal, Advocates for Respondent No.35.

Mr. Subodh Desai, Senior Advocate a/w Abinash Pradhan, Garima Agrawal, Yash Dedhia i/by Wadia Ghandy & Co., Advocates for Respondent No.36.

Mr. A. Y. Sakhare, Senior Advocate with Mr. P. P. Chauhan i/by Ms. Komal Punjabi, Advocates for Respondent Nos. 40 and 41-BMC.

Mr. Ativ Patel a/w Harshad R. Vyas i/by AVP Partners, Advocates for Respondent No. 43.