IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

BAIL APPLICATION NO. 1122 OF 2025

Bhushan Anant Patil .... Applicant
v/s.
The Union of India .... Respondent

WITH
BAIL APPLICATION NO. 1003 OF 2025

Tanaji Mandal Adhikari .... Applicant
v/s.
The Directorate of Enforcement and Anr. .... Respondents

WITH
BAIL APPLICATION NO. 1723 OF 2025

Purshottam Chavan .... Applicant
v/s.
Directorate of Enforcement, Mumbai and Anr. .... Respondents

WITH
BAIL APPLICATION NO. 2265 OF 2025

Rajesh Brijlal Batreja .... Applicant
v/s.
Directorate of Enforcement, Mumbai and Anr. .... Respondents

Mr. Aabad Ponda, Senior Advocate with Mr.Vikram Sutaria with Mr. Nitin Kamble i/b Mr. Hrituraj Singh for the Applicant in BA/1122/2025.
Ms. Sonal Parab with Ms. Bhoomi Gaikwad, Ms. Mukta Gadekar i/b. Rajeev Sawant and Associates for the Applicant in BA/1723/2025.
Ms. Neha Ahuja a/w. Mr.Amit Ahuja for the Applicant in BA/2265/2025.
Mr. Sudeep Karnik a/w Darsh Gala a/w Nitin Kamble for the Applicant in BA/1003/2025.
Mr. Anil Yadav for the Respondent-ED in BA No.1723/2025 & BA 2265/2025.
Mrs. Manisha Jagtap a/w Ms. Yashashree Raut for Respondent – ED in BA No.1003/2025 & BA No.1122/2025.

CORAM : SHYAM C. CHANDAK, J.

RESERVED ON : 18th DECEMBER, 2025
PRONOUNCED ON : 23rd DECEMBER, 2025

ORDER :

. On being denied bail by the trial Court, the Applicants have filed these Applications for their bail in connection with in an ECIR bearing No.ECIR/MBZO-I/40/2022 on 31/03/2022, under Sections 3 and 4 of the Prevention of Money Laundering Act, 2002 (‘**PMLA**’).

2) Heard Mr. Ponda, the learned Senior Counsel, Ms.Parab, Ms.Ahuja, Mr.Karnik, learned Counsel, Mr.Anil Yadav and Mrs. Manisha Jagtap appearing for the respective parties. Perused the Applications.

3) The background facts are that, on the basis of an FIR bearing No.RC2162022A0001, dated 23/01/2022, registered by the CBI for the offence punishable under Sections 120-B, 409, 420, 467, 468, 471 of the Indian Penal Code, 1860 (‘**IPC**’) along with Section 7, 13 (2) r/w 13(1) (a) of the Prevention of Corruption Act, 1988 (as amended in 2018) and under Section 66 of the Information Technology Act, 2000 against Tanaji Mandal Adhikari and others, the Assistant Director of the Directorate of Enforcement, Ministry of Finance, Government of India registered the aforesaid ECIR. On completion of investigation, the CBI filed the charge-sheet in the aforesaid FIR dated 23/01/2022 against Tanaji and 11 others (hereinafter referred to as “**scheduled offence**”).

4) The prosecution case is that as per the charge-sheet in scheduled offence, the fraud was effected by the Applicant-Tanaji

Adhikari, then Senior Tax Assistant, later on promoted as the Inspector of Income Tax, by creating/fraudulently generating 12 TDS Orders for a total refund of Rs.2,63,95,31,870.00. It is alleged that Applicant-Tanaji Adhikari had access to the RSA Token and login credentials of his seniors and he orchestrated the said fraud in connivance with the Applicant-Bhusan Patil. Later on, during the period from 15/11/2019 to 04/11/2020, the aforesaid proceeds of the crime was credited in the bank account of M/s. SB Enterprises, owned by the Applicant-Bhushan Patil. It is alleged that, further, the said fradulent money was transferred in the personal bank accounts of Bhushan Patil, Rajesh Shetty, Sarika Shetty, M/s. Hotel Velvet Treat Garden and Bar, M/s. Raaj Viraaj Global Corporation and other related persons and entities. The said amount was utilised to purchase various immovable and movable properties in their names. An amount of Rs.55.50 crores, being proceeds of the crime, were transferred to three shell companies.

It is alleged that in March 2021, current account of M/s. SB Enterprises was put on hold with a balance of Rs.93,90,85,527.23, by the State Bank of India, Palaspe branch, Panvel. However, by submitting forged/fake documents and impersonating himself as Ankit Malhotra, CA of M/s. SB Enterprises before the SBI Bank officials, the Applicant-Tanaji Adhikari attempted to defreeze the said bank account with an intention to divert the proceeds of crime, lying in that bank account. It is alleged that during the course of search at the premises of the Applicant-Tanaji on

21/12/2022 under PMLA, various incriminating documents were found to the Investigating Agency including high value cheque deposit receipts in various banks, etc. One letter addressed to Mr. Rajesh contained instruction to take care of the remaining belongings/valuables which the accused persons had secured. It is alleged that the Applicant-Rajesh Batreja was dealing with the proceeds of crime of the Applicant-Tanaji in India as well as in Dubai. The words "remaining belongings/valuables" written in the said letter relates to the proceeds of crime under the control of the Applicant-Rajesh Batreja.

It is alleged that Applicant-Tanaji approached the Applicant-Rajesh Batreja to divert Rs.55.50 crores from the bank account of Applicant-Bhushan Patil. For the said purpose, Applicant-Rajesh Batreja took help of his Mangesh Doiphode who in turn approached one Anirudh Gandhi. Applicant-Rajesh Batreja, Mangesh Doiphode and Anirudh Gandhi have admitted their limited role of accepting Rs.55.50 crores from the bank accounts of the Applicant-Bhushan Patil. It is alleged that, the said amount was transferred from three accounts of Applicant Bhushan Patil to various companies. Yet, they did not disclose about the utilisation of the said amount of Rs.55.50 crores. It is alleged that the Applicant-Rajesh Batreja has been associated with various companies.

It is alleged that Applicant-Purushottam Chavan was also involved in the illegal dealing of the proceeds of crime along with Applicant-Rajesh Batreja and, during the period from 26/08/2023 to

21/11/2023, they have dealt with alleged amount of fraud of Rs.11 crores. It is alleged that the statements of the accused persons recorded under the PMLA confirmed the aforesaid fraud.

5) In the backdrop, the Respondent-Directorate of Enforcement arrested the Applicants in the aforesaid PMLA offence from time to time. On completion of investigation, the Respondent submitted the charge-sheet against the Applicants and others.

6) The Bail Applications filed by the Applicants before the trial Court came to be rejected mainly for the reasons that there is a *prima facie* case of a serious fraud, the Applicants are involved in the crime and they laundered the money. Therefore, the Applicants have approached this Court for bail.

7) The main thrust of the arguments of the learned Counsel for the parties is that since their arrest in this crime, the Applicants-Tanaji Adhikari and Bhushan Patil are behind the bars for almost two and half years. Similarly, the Applicants Rajesh Batreja and Purshottam Chavan are behind the bars since last one and half year. The learned Counsel submitted that so far no charge is framed against the Applicants in the PMLA case. The charge-sheet filed in the said case is more than ten thousand pages and more than 100 witnesses are proposed to be examined by the ED-complainant, to prove the charges. As such, the trial would take several years to complete.

7.1) It is submitted that CBI Court at Delhi, before whom the charge-sheet for the scheduled offence has been filed, by order dated 25/06/2022, observed that the said Court has no jurisdiction to hear and adjudicate the said case for scheduled offence, but the Court of equal jurisdiction at Mumbai. Thereafter, in Bail Appln.2126/2022, interim bail has been granted to the Applicant-Tanaji Adhikar in the scheduled offence, by the Delhi High Court. Similarly, in Bail Appln. No.2210 of 2022, interim bail has been granted to the Applicant-Bhushan Patil on 25/07/2022, in the scheduled offence, by the Delhi High Court. The "No Jurisdiction Order" dated 25/06/2022 passed by the CBI Court Delhi has been challenged by the CBI before the Delhi High Court filing Criminal M.C. No.3661 of 2022 with Cri.M.A. No.15337 of 2022. Therein, interim stay has been granted by the Delhi High Court to the proceedings in the case of the scheduled offence pending before the CBI Court at Delhi. The aforesaid matters have been clubbed/tagged together in the Delhi High Court. However, it is not certain as to when both the matters will be finally decided and the said interim stay granted in challenge filed by the CBI, will be vacated.

7.2) It is submitted that the case arising out of scheduled offence and the consequent PMLA case, both should be tried by one and the same Court. Unless the case for the scheduled offence is proved, no conviction is possible in the consequent PMLA case. The interim bail granted to the said Applicants is being extended from time to time. It is submitted that the Applicants-Purushottam Chavan and Rajesh Batreja are not accused in scheduled offence. The investigation in relation to the Applicants is over. The interim bail is granted to two Applicants indicates that they are not likely to tamper with the prosecution evidence and abscond. As such, detention of the Applicants in jail for uncertain period will not serve any purpose. On the contrary, it will be a pre-trial punishment in the case. Therefore, the Applicants deserve bail on the ground of long incarceration on such conditions as may be deemed necessary by this Court.

8) To substantiate these submissions, reliance is placed on the following reported decisions :-

(1) Sarang Wadhawan vs. Directorate of Enforcement[1]
(2) Ramchand Kotumal Issrani vs. Directorate of Enforcement[2]
(3) V. Vijay Sai Reddy vs. Directorate of Enforcement[3]
(4) Jagati Publication Ltd. vs. Directorate of Enforcement[4]
(5) Md. Naushad vs. State of Bihar[5]
(6) Anosh Ekka vs. State of Jharkhand through ED[6]
(7) Rup Bahadur Magar vs. The State of West Bengal[7]
(8) V. Senthil Balaji vs. Directorate of Enforcement[8]
(9) Union of India vs. K. A. Najeeb[9]
(10) Manish Sisodia vs. Directorate of Enforcement[10]
(11) Satendra Kumar Antil vs. CBI & Anr.[11]
(12) Anwar Dhebar vs. Directorate of Enforcement[12]

1 2024 SCC OnLine Bom 1012
2 B.A. No.5350 of 2024, dt. 03/03/2025
3 2022 SCC OnLine TS 1606
4 2022 SCC OnLine TS 1607
5 2019 SCC OnLine Pat 552
6 W.P (Cri.). No.257 of 2022, dt. 19/02/2013
7 2024 SCC OnLine SC 5575
8 2024 SCC OnLine SC 2626
9 (2021) 3 SCC 713
10 2024 SCC OnLine SC 1920
11 (2022) 10 SCC 51
12 Cri. Appeal No.(s) 2669 of 2025, dt. 19/05/2025

(13) Udhaw Singh vs. Directorate of Enforcement[13]

(14) Laxmikant Tiwari vs. Directorate of Enforcement[14]

(15) Mohd. Muslim alias Hussain vs. State (NCT of Delhi)[15]

(16) Ramkirpal Meena vs. Directorate of Enforcement[16]

(17) Javed Gulam Nabi Shah vs. State of Maharashtra & Anr.[17]

(18) Arvind Kejriwal vs. Central Bureau of Investigation[18]

(19) Bhagwan Bhagat vs. Directorate of Enforcement[19]

(20) Kalvakuntla Kavitha vs. Directorate of Enforcement[20]

(21) Prem Prakash vs. Directorate of Enforcement[21]

(22) Vijay Nair vs. Directorate of Enforcement[22]

(23) Balwinder Singh vs. State of Punjab & Anr.[23]

9) In reply, the learned Special P.P., Mrs. Jagtap, has mainly highlighted the facts and circumstances of the case and the evidence as to how the scheduled offence has been committed and it resulting in registration of ECIR under PMLA. She submits that an amount of more than Rs.263 crores has been fraudulently misappropriated/wrongfully gained by the Applicants due to the illegal act of the Applicant-Tanaji Adhikari. She submitted that, the twin conditions stated in Section 45 of the PMLA are not satisfied by the Applicants for grant of bail. The above referred letter addressed to Applicant-Rajesh Batreja by the Applicant-Tanaji Adhikari, clearly indicates that the latter will try to tamper with the

13 2025 SCC OnLine SC 357
14 2024 SCC OnLine SC 5046
15 (2023) 18 SCC 166
16 2024 SCC OnLine SC 2276
17 (2024) 9 SCC 813
18 2024 SCC Online SC 2550
19 2024 SCC OnLine SC 5522
20 2024 SCC OnLine SC 2269
21 2024 SCC OnLine SC 2270
22 2024 SCC OnLine SC 3597
23 2024 SCC OnLine SC 4354

prosecution evidence. Even while in judicial custody, Applicant-Tanaji Adhikari continued to plan laundering of proceeds of the crime. Investigation relating to an amount of Rs.53 Crores parked outside India, is still in progress. The claim of violation of right of speedy trial is not violated. Therefore, the trial Court has rejected the Bail Applications. There is no change in the circumstances thereafter. As such, and considering the magnitude of the offence, the Applicants are not entitled for bail.

10) Looking at the facts of the case, there is no possibility of the present case being heard and disposed of within a year or two. The Applicants are not likely to abscond. The apprehension of the prosecution that the Applicants are likely to tamper with the prosecution witnesses is not well-founded. Moreover, the evidence related to the Applicants is documentary in nature, which is already collected.

11) In ***Ramkripal Meena*** (supra), the only scheduled offence against the petitioner was the one under Section 420 of IPC, which was related to the leakage of REET question paper, in which the petitioner was already been enlarged on regular bail by the Apex Court. The complaint case filed by the ED was at the stage of framing of charges and 24 witnesses were proposed to be examined. The petitioner was in custody for more than a year. Taking into consideration the said custody period, there being no likelihood of conclusion of trial within a short span, coupled with the fact that the petitioner was on bail in the scheduled offence, and

keeping in view the peculiar facts and circumstances of the case, it was held that the rigours of Section 45 of the PMLA can be suitably relaxed to afford conditional liberty to the petitioner.

11.1) In ***Manish Sisodia*** (supra) the Hon'ble Supreme Court observed that on account of long period of incarceration, *i.e.*, for 17 months and even trial not having been commenced, the Appellant was deprived of his right to speedy trial. The right to speedy trial and the right to liberty are sacrosanct rights. In this regard, reference was made to the decision in ***Javed Gulam Nabi Shaikh*** (Supra), therein, the Hon'ble Supreme Court in paragraph 19 observed that :

> "**19**. If the State or any prosecuting agency including the court concerned has no wherewithal to provide or protect the fundamental right of an accused to have a speedy trial as enshrined under Article 21 of the Constitution then the State or any other prosecuting agency should not oppose the plea for bail on the ground that the crime committed is serious. Article 21 of the Constitution applies irrespective of the nature of the crime."

In view of the said observations, considering there was not even remotest possibility of the trial being concluded in the near future, the Appellant-Manish Sisodia having deep roots in the society, there being no possibility of him fleeing away from the country and not being available for facing the trial, the bail was granted with conditions.

11.2) In ***Prem Prakash*** (Supra), the Hon'ble Supreme Court in paragraphs 11 and 12 observed that :

"11. ... . All that Section 45 of PMLA mentions is that certain conditions are to be satisfied. The principle that, "bail is the rule and jail is the exception" is only a paraphrasing of Article 21 of the Constitution of India, which states that no person shall be deprived of his life or personal liberty except according to the procedure established by law. Liberty of the individual is always a Rule and deprivation is the exception. Deprivation can only be by the procedure established by law, which has to be a valid and reasonable procedure. Section 45 of PMLA by imposing twin conditions does not re-write this principle to mean that deprivation is the norm and liberty is the exception. As set out earlier, all that is required is that in cases where bail is subject to the satisfaction of twin conditions, those conditions must be satisfied.

"12. Independently and as has been emphatically reiterated in *Manish Sisodia* (II) (supra) relying on *Ramkripal Meena Vs Directorate of Enforcement* (SLP (Crl.) No. 3205 of 2024 dated 30.07.2024) and *Javed Gulam Nabi Shaikh Vs. State of Maharashtra and Another, 2024 SCC online 1693*, where the accused has already been in custody for a considerable number of months and there being no likelihood of conclusion of trial within a short span, the rigours of Section 45 of PMLA can be suitably relaxed to afford conditional liberty. Further, Manish Sisodia (II) (supra) reiterated the holding in Javed Gulam Nabi Sheikh (Supra), that keeping persons behind the bars for unlimited periods of time in the hope of speedy completion of trial would deprive the fundamental right of persons under Article 21 of the Constitution of India and that prolonged incarceration before being pronounced guilty ought not to be permitted to become the punishment without trial. In fact, Manish Sisodia (II) (Supra) reiterated the holding in Manish Sisodia (I) Vs. Directorate of Enforcement (judgment dated 30.10.2023 in Criminal Appeal No. 3352 of 2023) where it was held as under:-

> "**28**. Detention or jail before being pronounced guilty of an offence should not become punishment without trial. If the trial gets protracted despite assurances of the prosecution, and it is clear that case will not be decided within a foreseeable time, the prayer for bail may be meritorious. While the prosecution may pertain to an economic offence, yet it may not be proper to equate these cases with those punishable with death, imprisonment for life, ten years or more like offences under the Narcotic Drugs and Psychotropic Substances Act, 1985, murder, cases of rape, dacoity, kidnaping for ransom, mass violence, etc. Neither is this a case where 100/1000s of depositors have been defrauded. The allegations have to be established and proven. The right to bail in cases of delay, coupled with incarceration for a long period, depending on the nature of the

allegations, should be read into Section 439 of the Code and Section 45 of the PML Act. The reason is that the constitutional mandate is the higher law, and it is the basic right of the person charged of an offence and not convicted, that he be ensured and given a speedy trial. When the trial is not proceeding for reasons not attributable to the accused, the court, unless there are good reasons, may well be guided to exercise the power to grant bail. This would be truer where the trial would take years."

It is in this background that Section 45 of PMLA needs to be understood and applied. Article 21 being a higher constitutional right, statutory provisions should align themselves to the said higher constitutional edict."

11.3) While dealing with Section 50 of the PMLA, in paragraph 32 of ***Prem Prakash*** (supra), the Hon'ble Supreme Court held that :

"**32**. We have no hesitation in holding that when an accused is in custody under PMLA irrespective of the case for which he is under custody, any statement under Section 50 PMLA to the same Investigating Agency is inadmissible against the maker. The reason being that the person in custody pursuant to the proceeding investigated by the same Investigating Agency is not a person who can be considered as one operating with a free mind. It will be extremely unsafe to render such statements admissible against the maker, as such a course of action would be contrary to all canons of fair play and justice."

12) In view of the above discussion, and considering the submissions made by the learned Counsel for the Applicants, I am inclined

to allow all the Applications. However, some conditions are necessary to be imposed for the bail. Hence, I pass the following Order :

ORDER

12) All the Bail Applications are allowed.

12.1) Applicants are released on bail in ECIR bearing No.ECIR/MBZO-I/40/2022, registered at the instance of Respondent No.1, on executing a personal bond in the sum of Rs.3,00,000/- each, with one or more sureties in the like amount.

12.2) Applicants shall attend the office of Respondent No.1 on 3rd day of each English Calendar month, till further directions.

12.3) Applicants shall not make any direct or indirect attempt to contact the witnesses, who are likely to depose against him.

12.4) Applicants shall not indulge in tampering of the evidence and any such attempt by them shall be taken as a misuse of concession of this bail order.

12.5) Applicants shall surrender their passport with the Respondent No.1.

12.6) Applicants shall not leave India without prior permission of the trial Court.

12.7) Applicants shall furnish a fresh list of immovable assets owned by them and their family within three weeks from date of their release from the jail.

The Directorate of Enforcement shall be at liberty to attach all such assets in accordance with law. The bank account of the Applicants shall also remain seized.

12.8) Applicants shall appear before the trial Court regularly and in the event of their absence, the ED shall be at liberty to seek cancellation of bail granted to them today by this Court.

[SHYAM C. CHANDAK, J.]

13) After pronouncement of the Order, the learned Counsel for the Applicants prayed to grant three weeks time to furnish surety and till then, to release the Applicants on their executing a P.R. Bond in the sum of Rs.3,00,000/- and on depositing a sum of Rs.3,00,000/- each in the trial Court, in lieu of executing the surety bond.

Considering the period of custody of the Applicants and that they are not likely to abscond, the said request is accepted. Hence, the Applicants be released on bail for a period of three weeks on their executing a P.R. Bond in the sum of Rs.3,00,000/- and depositing a sum of Rs.3,00,000/- in the trial Court, in lieu of furnishing the surety bond.

At the end of period of three weeks, the Applicants shall furnish the surety. On furnishing such surety, the amount totalling to Rs.12,00,000/- furnished by four Applicants shall be returned to them.

14) At this stage, Mrs. Jagtap for the Respondent-ED requested to stay this order. However, considered the facts and circumstances of the case and reported decisions cited on behalf of the Applicants, the request to stay is rejected.

[SHYAM C. CHANDAK, J.]