

Shubhada S Kadam

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION

CRIMINAL REVISION APPLICATION NO. 33 OF 2025

Dr. Vivek Arun Limaye

....Applicant

Versus

Assistant Director, Enforcement Directorate
Mumbai Zone II, Mumbai.

....Respondent

Mr. Subhodh Desai, Senior Counsel along with Mr. Malhar Zatakia along with Mr. Rishabh D. Singh i/b. Mr. Shantanu M. Shetty, Advocate for Applicant.

Mr. Prashant Mishra along with Mr. Bharat Jadhav, Ms. Purva Birla, Ms. Ishita Bhaiya, Mr. Krish Kariya and Mr. Ashwin Thakur, Advocate for Respondent No.1.

Mr. S. R. Agarkar, APP for Respondent-State.

CORAM : SHIVKUMAR DIGE, J.

DATE : 5th MAY, 2026.

P.C. :

1. The challenge in this revision application is to the order dated 11th October 2024 passed below Exhibit-27 by the Special Court in a PMLA Special Case No. 14 of 2018, whereby the learned Special Court has rejected the discharge application of the applicant.

2. It is contention of learned senior counsel for the applicant that the applicant is a director of Dr. Arun Limaye Memorial Nandadeep Hospital and Research Center Private Limited. Accused No. 1-Mr. Mahesh Kisan Motewar, entered into a Memorandum of Understanding (MOU)

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with the applicant for the sale of the said hospital in the year 2012. At that time, the applicant was not aware of the business of accused No. 1-Mr. Mahesh Kisan Motewar.

3. On 15th May 2012, two MOUs were executed between accused No. 1, along with his wife and company, and the applicant along with his wife and the company—one for the sale of the hospital business and the other MOU for the sale of the applicant's share in the property for an aggregate consideration of ₹28 crore rupees. In the said MOUs, the payment schedule, including an obligation for accused No. 1 to settle the company .ie. applicant's bank loans, is also mentioned. Learned senior counsel further submitted that pursuant to the MOUs, accused No. 1 took possession of the property, charge of the company and hospital business operations. Accused No. 1 and his wife were subsequently inducted as directors in the company in May 2012. Between May 2012 to August 2016, partial payments totalling to ₹5.44 crore rupees were made to the applicant, and ₹9.35 crore rupees were paid to the bank directly. Thereafter, accused No. 1 defaulted on further payments under the MOUs despite repeated reminders and opportunities. On 20th August 2016, the applicant issued a termination letter to accused No. 1, terminating the MOUs due to continued defaults in payment thereunder. On 27th August 2016, the applicant issued a public notice in leading newspapers formally

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notifying third parties of the termination of the MOUs. Learned senior counsel further submitted that in December 2016, the Jalgaon People's Co-operative Bank (for short "the bank") initiated SARFAESI proceedings for enforcement of its security and recovery of its dues for the hospital account having been classified as a Non-Performing Asset (NPA). In February 2017, the bank sold part of the hospital building for ₹4.26 crore rupees to recover its outstanding dues and thereafter handed over possession of the remaining part of the hospital to the applicant. In May 2017, the applicant was called upon by the respondent-agency to provide his statement in respect of the aforesaid transactions relating to the sale of the hospital and land, and for the first time learnt of the subject investigation and criminal allegations against accused No. 1 and his company-Samruddha Jeevan Foods India Limited. Learned counsel further submitted that in the year 2018, the respondent filed a case under the Prevention of Money Laundering Act, 2002 before the Special Court against accused No. 1 and other co-accused, including the applicant arraigned as accused No. 26. The allegations against the applicant are that accused No. 1 invested proceeds of crime in the hospital of the applicant and the applicant was aware that the said amount was of crime proceeds. Learned senior counsel further submitted that the transactions between the applicant and accused No. 1 started in the year 2012, and at that time,

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no offence was registered against the applicant, and the same came to be registered in the year 2018 as a predicate offence. But these facts, as the applicant has no concern with accused No. 1, have not been considered by the learned Special Court and has passed the impugned order and requested to allow the application.

4. It is contention of learned SPP that there were transactions between the applicant and accused No. 1, and the amount from the crime proceeds was given to the applicant. The sale of the hospital was mere paperwork. The applicant is involved in the crime. The learned Special Judge has passed well reasoned order, and no interference is required in it. To prove the innocence of the applicant, trial is required, as sufficient material is produced on record to show the involvement of the applicant in the crime, and requested to reject the application.

5. I have heard both learned counsel, perused impugned order and documents produced on record. The MOU agreements at Exhibits- D and E show that they were notarized on 4th April 2012. The statement of Shri Hemant Bhat, Legal Manager at Jalgaon People's Co-operative Bank Limited, Jalgaon, shows that he was aware about the MOU executed between the applicant and accused No. 1 in May 2012. In his statement, he has stated that the amount of repayment was being received from applicant's account to the loan account from June 2012 onwards and

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certain amounts were received from the accounts of accused Nos. 1 and 2 from 2014 onwards. The statement of this witness shows that the applicant had informed the bank about the MOUs executed with accused No. 1 in May 2012 itself. The applicant had obtained the loan by mortgaging the said hospital. After executing these MOUs, accused No. 1 repaid some loan installments to the bank. As the transactions between the applicant and accused No. 1 took place prior to the registration of the offence against accused No. 1, the first offence having been registered in the year 2015, the said transactions clearly appear to be genuine. Therefore, the applicant cannot be considered a co-accused or otherwise involved in the present offence. But these facts are not considered by the learned trial Judge. Continuing trial would amount to abuse of process of law. Considering these facts, I pass the following order:

ORDER

- (i) The application is allowed.
- (ii) The impugned order dated 11th October 2024 passed below Exhibit-27 by the Special Court in a PMLA Special Case No. 14 of 2018 is quashed and set-aside.
- (iii) The applicant is discharged from P.M.L.A. Special Case No.14 of 2018 for the offences punishable under Sections 3 and 4 of the Prevention of Money Laundering Act, 2002.

The application stands disposed of in above terms.

(SHIVKUMAR DIGE, J.)