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MHCC020042452016



**IN THE COURT OF SPECIAL JUDGE (UNDER PREVENTION OF  
MONEY LAUNDERING ACT, 2002) FOR GREATER BOMBAY  
AT BOMBAY**

**COMMON ORDER BELOW**

**APPLICATION EXHIBIT-407**

**IN  
PMLA SPECIAL CASE NO.02 OF 2016  
AND  
PMLA SPECIAL CASE NO.03 OF 2018**

Narayan Jethanand Pagrani ]  
Adult, Indian inhabitant, R/o.: 802, ]  
Golden Peak, Opp. Kotak Mahendra ]  
Bank, Dr. Ambedkar Road, Khar (West), ]  
Mumbai – 400 050. ] Applnt./Accd. No.37.

**Versus**

Director of Enforcement ]  
(Through the Assistant Director, ]  
Mumbai Zonal Office, Mumbai.) ] Complainant.

**A/W**

**APPLICATION EXHIBIT-1126**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

Suresh Jajodia ] Applnt./Accd. No.17.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

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AND

**APPLICATION EXHIBIT-1127**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Praveenkumar Jain ] Applnt./Accd. No.18.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1128**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Sanjeev Jain ] Applnt./Accd. No.19.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1129**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Chandrashekhar Sarda ] Applnt./Accd. No.20.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1130**

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IN  
PMLA SPECIAL CASE NO.02 OF 2016  
AND  
PMLA SPECIAL CASE NO.03 OF 2018

1. Jagdish Purohit ]  
2. M/s. Kumao Engineering Pvt. Ltd. ] Applnt./Accd. No.42 &  
53.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

APPLICATION EXHIBIT-1131

IN  
PMLA SPECIAL CASE NO.02 OF 2016  
AND  
PMLA SPECIAL CASE NO.03 OF 2018

Dhanpat Parashuram Seth ]  
Aged: 68 years, Occu.: Business, ]  
Adult, Indian inhabitant, R/o.: A/501, ]  
Rustomjee Paramount, Khar (West), ]  
Mumbai – 400 052. ] Applnt./Accd. No.34.

**Versus**

The Director of Enforcement ]  
Through Assistant Director, having ]  
Office at: Mumbai Zonal Office, 4<sup>th</sup> ]  
Floor, Kaiser-E-Hind Building, Ballard ]  
Estate, Mumbai – 400 001. ] Complainant.

AND

APPLICATION EXHIBIT-1132 AND 1125  
IN  
PMLA SPECIAL CASE NO.02 OF 2016  
AND  
PMLA SPECIAL CASE NO.03 OF 2018

Rajesh Mohanlal Mistry ]

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Aged: 46 years, Occu.: Business, ]  
R/o.: 43/2, Prabhu Kutir, Vitthal Nagar ]  
Society, N.S. Road No.11, JVPD, ]  
Mumbai. ] Applnt./Accd. No.35.

**Versus**

The Enforcement Directorate ]  
(Through Assistant Director, ] Respondent / Orig.  
Mumbai Zonal Office, Mumbai.) ] Complainant.

**AND**

**APPLICATION EXHIBIT-1133**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

1. Shailesh Swarupchand Mehta ] Applnt./Accd. No.33 &  
2. Prime Builders & Developers ] 46.

**Versus**

Director of Enforcement ]  
Through Assistant Director. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1134**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

Kapil Rajprakash Puri ]  
Aged: 56 years, Occu.: Nil, ]  
R/o.: 1402, Brindavan Terraces, Deonar ]  
Farm Road, Mumbai – 400 088. ] Applnt./Accd. No.43.

**Versus**

1. The State of Maharashtra ]  
2. The Director of Enforcement ]  
Through the Assistant Director, ]  
Mumbai Zonal Office, 4<sup>th</sup> Floor, ]

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Kaiser-e-Hind Building, Ballard ]  
Estate, Mumbai – 400 001. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1135**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

1. Vipul Kanhaiyalal Kakaria ] Applnt./Accd. No.36.  
] (Accd No.19 in PMLA Spl. Case  
] No.03 of 2018).
2. Royal Enterprises ] Applnt./Accd. No.20 (PMLA  
] Spl. Case No.03 of 2018).

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1136**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

Neelkamal Central Apartment LLP ]  
(formerly known as Neekamal Central ]  
Apartment Private Limited), a Limited ]  
Liability Partnership having LLP ]  
Identification Number AAA-2480, ]  
Registered under the Limited Liability ]  
Partnership Act, 2008, having office at: ]  
265-E, Bellasis Road, Opp. BEST Bus ]  
Depot, Mumbai Central. ] Applnt./Accd. No.52.

**Versus**

Director of Enforcement ]  
(Through Assistant Director, Mumbai ]  
Zonal Office, Mumbai.) ] Complainant.

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AND

**APPLICATION EXHIBIT-1137**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Asif Yusuf Balwa ]  
Of Mumbai, Indian inhabitant, ]  
Aged: 50 years, R/o.: 1<sup>st</sup> Floor, Ameena ]  
House, Opp. Almeida Park, Bandra ]  
(West), Mumbai – 400 050. ] Applnt./Accd. No.39.

**Versus**

Director of Enforcement ]  
(Through Assistant Director, Mumbai ]  
Zonal Office, Mumbai.) ] Complainant.

AND

**APPLICATION EXHIBIT-1145**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

1. Sanjay Dattatray Kakade ]  
Aged: 53 years, Occu.: Business, ]  
R/o.: Leelavati Nivas, Yashwant ]  
Ghadge Nagar, Plot No.9, University ]  
Road, Pune – 411 004. ] Applnt./Accd. No.40.  
2. Kakade Infrastructure Pvt. Ltd. ] Applnt./Accd. No.49.  
3. Sky Lux Cityscapes Pvt. Ltd. ] Applnt./Accd. No.50.

**Versus**

The State of Maharashtra ]  
(Through The State Directorate of ]  
Enforcement, Mumbai Zonal Office, ]  
Mumbai). ] Respondent.

AND

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**APPLICATION EXHIBIT-1170**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Chhagan C. Bhujbal ] Applnt./Accd. No.1.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1171**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

1. Sameer M. Bhujbal ] Applnt./Accd. No.2.
2. Pankaj C. Bhujbal ] Applnt./Accd. No.3.
3. Satyen Appa Kesarkar ] Accused No.25.  
] (Accd. no.13 in PMLA Spl. Case  
] No.03 of 2018).

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1172**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Dilip Jagannath Khaire ] Applnt./Accd. No.9.

**Versus**

Director of Enforcement ]

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Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1173**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Sanjay Diwakar Joshi ] Applnt./Accd. No.21.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1174**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Tanvir Ismail Shaikh ] Applnt./Accd. No.22.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1175**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

Deepak Vitthal Shinde ] Applnt./Accd. No.23.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

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**AND**

**APPLICATION EXHIBIT-1176**

**IN**

**PMLA SPECIAL CASE NO.02 OF 2016**

**AND**

**PMLA SPECIAL CASE NO.03 OF 2018**

Nilesh Shantiprakash Shahu

] Applnt./Accd. No.24.

**Versus**

Director of Enforcement

]

Mumbai Zonal Office-I, Mumbai.

] Complainant.

**AND**

**APPLICATION EXHIBIT-1177**

**IN**

**PMLA SPECIAL CASE NO.02 OF 2016**

**AND**

**PMLA SPECIAL CASE NO.03 OF 2018**

Rajesh M. Dharap

] Applnt./Accd. No.28.

**Versus**

Director of Enforcement

]

Mumbai Zonal Office-I, Mumbai.

] Complainant.

**AND**

**APPLICATION EXHIBIT-1178**

**IN**

**PMLA SPECIAL CASE NO.02 OF 2016**

**AND**

**PMLA SPECIAL CASE NO.03 OF 2018**

Nimish M. Bendre

] Applnt./Accd. No.29.

] (Accd No.14 in PMLA

] Spl. Case No.03 of

] 2018).

**Versus**

Director of Enforcement

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Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1481**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Parvesh Construction Pvt. Ltd. ] Applnt./Accd. No.4.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1482**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Devisha Infrastructure Pvt. Ltd. ] Applnt./Accd. No.5.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1483**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Amstrong Energy Pvt. Ltd. ] Applnt./Accd. No.6.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

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**AND**

**APPLICATION EXHIBIT-1484**

**IN**

**PMLA SPECIAL CASE NO.02 OF 2016**

**AND**

**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Origin Infrastructure Pvt. Ltd. ] Applnt./Accd. No.7.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1485**

**IN**

**PMLA SPECIAL CASE NO.02 OF 2016**

**AND**

**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Niche Infrastructure Pvt. Ltd. ] Applnt./Accd. No.8.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1486**

**IN**

**PMLA SPECIAL CASE NO.02 OF 2016**

**AND**

**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Matrubhoomi Infrastructure Pvt. ]  
Ltd. ] Applnt./Accd. No.9.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

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**APPLICATION EXHIBIT-1487**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Yashdhan Infrastructure Pvt. Ltd. ] Applnt./Accd. No.10.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1488**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Deepam Infrastructure Pvt. Ltd. ] Applnt./Accd. No.11.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1489**  
IN  
**PMLA SPECIAL CASE NO.02 OF 2016**  
AND  
**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Bhavesh Builders Pvt. Ltd. ] Applnt./Accd. No.12.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

AND

**APPLICATION EXHIBIT-1490**  
IN

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**PMLA SPECIAL CASE NO.02 OF 2016  
AND  
PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Anandvan Infrastructure Pvt. Ltd. ] Applnt./Accd. No.13.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1491  
IN  
PMLA SPECIAL CASE NO.02 OF 2016  
AND  
PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Amstrong Information Pvt. Ltd. ] Applnt./Accd. No.14.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1492  
IN  
PMLA SPECIAL CASE NO.02 OF 2016  
AND  
PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Intellectual Management ]  
Consultants Pvt. Ltd. ] Applnt./Accd. No.15.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1493  
IN  
PMLA SPECIAL CASE NO.02 OF 2016**

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**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Amstrong Pure Water Services Pvt. ]  
Ltd. ] Applnt./Accd. No.54.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1494**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Growth Infrastructure Pvt. Ltd. ] Applnt./Accd. No.55.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1495**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**  
**PMLA SPECIAL CASE NO.03 OF 2018**

Bhujbal Wines Pvt. Ltd. ] Applnt./Accd. No.57.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**AND**

**APPLICATION EXHIBIT-1496**  
**IN**  
**PMLA SPECIAL CASE NO.02 OF 2016**  
**AND**

**PMLA SPECIAL CASE NO.03 OF 2018**

M/s. Virtual Tours Pvt. Ltd. ] Applnt./Accd. No.58.

**Versus**

Director of Enforcement ]  
Mumbai Zonal Office-I, Mumbai. ] Complainant.

**Appearance:**

Ld. Sr. Counsel Abad Ponda a/w Adv. S. K. Saxena a/w Adv. Sudarshan Khawase for accused Nos.1, 2, 3 and 25.

Ld. Adv. Sajal Yadav a/w Adv. S. K. Saxena a/w Adv. Sudarshan Khawase for accused Nos.4 to 15, 21 to 25, 28, 29, 54 to 58.

Ld. Adv. Sajal Yadav a/w Adv. Vipulkumar B. Jain for accused Nos.17, 18, 19, 20, 42 and 53.

Ld. Adv. Sajal Yadav a/w Adv. Arpit Mutha a/w Adv. Jipnesh Jain for accused Nos.35, 36 and 33.

Ld. Adv. Mr. Niranjan Mundargi for Accused No.37.

Ld. Adv. Asim Nafde a/w Adv. Aditya Aiyyer a/w Adv. Tabbasum for accused Nos.34, 39 and 52.

Ld. Adv. Mr. Pasbola for Accused Nos.40 & 43.

Ld. SPP Mr. Sunil Gonsalves for the Complainant/E.D.

**CORAM: H. H. THE SPECIAL JUDGE  
SHRI SATYANARAYAN R. NAVANDER  
(CR NO.55)**

**DATE : 23<sup>rd</sup> JANUARY, 2026.**

**ORDER**

These are the discharge applications filed by accused/applicants as per Section 227 of the Code of Criminal Procedure, 1973 (hereinafter referred as 'Cr.P.C.' for short).

**Predicate Offence: Background of the case:**

2. Vide order dated 18.12.2014, the Hon'ble Bombay High

Court had constituted Special Investigation Team comprising of DG, Anti-Corruption Bureau (ACB), Mumbai, and Director, Enforcement Directorate (ED) to conduct inquiry with regard to the allegations made against Shri Chhagan Bhujbal, Ex-Minister in the then Government of Maharashtra and his relatives vide PIL No. 23 of 2014 and submit a report. In pursuance to the said orders, ACB, Mumbai had registered two FIRs as detailed below:

- (i) FIR No. 35/2015 dated 08.06.2015 dated 11.06.2015 against Shri Chhagan Bhujbal, then PWD Minister and PWD officials invoking Sections 13(1)(c), 13(1)(d) of Prevention of Corruption Act, 1988, and Sections 420, 465, 468, 471, 474, 477(A) read with Sections 120(B) and 34 of Indian Penal Code.
- (ii) FIR No.32/2015 dated 08.06.2015 dated 11.06.2015 against Shri Chhagan Bhujbal, then PWD Minister, his relatives, employees of companies controlled by Bhujbals, M/s. K. S. Chamankar Enterprise, its partners and PWD Officials invoking Sections 13(1)(c), 13(1)(d) and 13(2) of Prevention of Corruption Act, 1988, and Sections 109, 406, 409, 420, 465, 468, 471, 474, read with Sections 120(B) and 34 of Indian Penal Code.

Similarly, FIR No.69 of 2015 dated 13.06.2015 invoking Sections 120(B), 406, 420, of Indian Penal Code along with Sections 3, 4, 5 and 8 of Maharashtra Ownership of Flats Act was registered by E.O.W. Branch of Navi Mumbai Police against M/s. Devisha Infrastructure Pvt. Ltd. and its directors namely Shri Pankaj Bhujbal, Sameer Bhujbal, Rajesh Dharap, Satyen Kesarkar and Amit Blraj.

3. Scrutiny of the FIR No.35/2015 dated 08.06.2015 revealed that -

- (i) The accused persons, especially the public servants misused their designation and entered into a criminal conspiracy to cheat and cause financial loss to the Government and undue gain to the developer, M/s. K. S. Chamankar Enterprises;
  - (a) they have put up bogus/fabricated financial statements before Infrastructure Facilities Committee of the Maharashtra Government for obtaining sanction in respect of the development of R.T.O. Office situated on Plot No.825/2, Andheri, Mumbai;
  - (b) they were aware that these financial statements were not genuine; that Shri Chhagan Bhujbal, in lieu of the sanction of development proposal, accepted money (kickbacks) through the firms/companies of his relatives and employees'.

It is also alleged that the relatives and employees of Shri Chhagan Bhujbal actively helped and assisted him towards such illegal gratification.

- (ii) The statement of Shri Narendra Pandurang Talegaonkar, Assistant Police Commissioner, Anti Corruption Bureau, Mumbai, recorded on 11.06.2015 has been considered as First Information in this FIR. On going through the contents of his statement, it is observed that the complainant was appointed as Assistant Investigation Officer in view of the PIL No.23/14 filed before the Hon'ble Bombay High Court. He was asked to inquire:
  - (a) whether there were irregularities in the construction and contract of New Maharashtra Sadan, New Delhi,
  - (b) whether the contract was allotted to M/s. K.S. Chamankar Enterprises without inviting tenders, and,

- (c) whether Bhujbals received kickback money from the developer through the companies of family members and employees.
- (iii) During the course of his inquiry, the complainant had collected relevant information/documents from concerned government departments regarding construction and contract of New Maharashtra Sadan, New Delhi. He had noticed that Shri Chhagan Bhujbal, the then PWD Minister of Maharashtra had in connivance with other concerned officials of PWD fraudulently obtained sanction for the said project from Maharashtra Government in favour of M/s. K.S. Chamankar Enterprises.
- (iv) The offences invoked in the FIR i.e. Section 13 of Prevention of Corruption Act, 1988, and Sections 120(B), 420, 467 and 471 of the Indian Penal Code, 1860, are mentioned in Paragraph 1 of Part A of the Schedule to the Prevention of Money Laundering Act, 2002 (as amended).

4. Scrutiny of FIR No.69 of 2015 dated 13.06.2015 registered by the Taloja Police, Navi Mumbai against M/s. Devisha Infrastructure Pvt. Ltd. and others revealed that -

- (i) The Accused persons had without proper permission, without proper ownership documents initiated Hexworld housing project at Rohinjan Village. Survey No.91/1, near Sector 35, Kharghar, Navi Mumbai, Dist- Raigad, and misrepresenting the factual position collected apprx. Rs.44 crores towards advance booking of 2344 flats from members of public; and cheated the said persons without giving possession of the flats.
- (ii) Statement of Shri Mohamad Yunus Abdul Rehman Shaikh,

resident of Flat No.9, Bhaskar Apartment, Payali Pada, Sion-Trombay Road, Trombay, Mumbai - 400 088 recorded on 13.06.2015 has been considered as First Information/complaint in this FIR.

(iii) On going through the contents of the complaint, it is gathered that the complainant came to know about a housing project being initiated at Rohinjan Village, Survey No.91/1, near Sector 35, Kharghar, Navi Mumbai, Dist- Raigad by M/s. Devisha Infrastructure Pvt. Ltd. in 2009; that the project comprised around 14 storied towers comprising 30 to 32 floors per floor; that the said company purchased around 35 acres of land; that cost of 1 BHK was apprx. Rs.18 lakhs and cost of 2 BHK was Rs.30 Lakhs; that registration and stamp duty was to be paid separately; that possession was to be given within 3 years; that believing the said project was very affordable and economical, the complainant had booked two flats in the name of his wife by paying Rs.36,000/- each in December, 2009 by two undated cheques. The complainant further stated that his cheques were encashed in February, 2011; that in March, 2011, he was informed that Flat No.2804 and 2805 were allotted to his wife and was asked to pay 8% of the total value of the flats; that accordingly, he had paid Rs.1,44,000/- each towards the said two flats totaling to Rs.2,88,000/- to M/s. Devisha Infrastructure Pvt. Ltd. in June, 2011; that after this payment he took followup with the company and other persons who had booked flats in the said project, that he came to know that the said company did not own the said land and had not received the necessary permission to construct the housing project till 2011; that he along with the other persons

collected information that total 2344 persons have booked flats in the said project by paying apprx. Rs.44 crores to M/s. Devisha Infrastructure Pvt. Ltd. The complainant, thus, felt that he and others have been cheated by M/s. Devisha Infrastructure Pvt. Ltd., and money was collected from them by misrepresenting the facts.

5. In view of the above, investigation under PMLA was initiated by registering a case vide ECIR/MBZO/07/2015 dated 17.06.2015 against the following persons/entities in respect of FIR No.35/2015 registered by ACB, Mumbai:

- (i) Chhagan Chandrakant Bhujbal, then Minister of Public Works Department.
- (ii) Pankaj Chhagan Bhujbal.
- (iii) Sameer Magan Bhujbal.
- (iv) Gajanan Anant Sawant, (now retired), the then Sub Divisional Engineer, World Bank Project, Mulund No.3.
- (v) Harsh Shravan Patil, (now retired), the then Executive Engineer, Public Works, City division area, Mumbai.
- (vi) Sanjay Shriram Solanki, the then Under Secretary, (Privatization), Public Works, Mumbai.
- (vii) Maniklal H. Shah, (now retired), the then Secretary, (Constructions), Public Works, Mumbai.
- (viii) Arun Vithalrao Devdhar, then Superintendent Engineer, Public Works, Mumbai.
- (ix) Devdatta Gangadhar Marathe, then Secretary (Works), Public Works Department, Mantralaya, Mumbai.
- (x) Deepak Balkrishna Deshpande, then Secretary (Works) Public Works Department, Mantralaya, Mumbai.

- (xi) Bipin Mukund Sankhe, then Chief Architect, Public Works Department, Mumbai.
- (xii) Anilkumar Baliram Gaikwad, then Executive Engineer, City, Public Works, Mumbai.
- (xiii) Krishna Shantaram Chamankar, partner of M/s. K. S. Chamankar Enterprises.
- (xiv) Praveena Prasanna Chamankar, partner of M/s. K. S. Chamankar Enterprises.
- (xv) Pranita Prashant Chamankar, partner of M/s. K. S. Chamankar Enterprises.
- (xvi) Prasanna Shantaram Chamankar.
- (xvii) Tanvir Ismail Shaikh, employee of Bhujbal family related companies.
- (xviii) Iram Tanvir Shaikh, employee of Bhujbal family related companies.
- (xix) Sanjay Diwakar Joshi, employee of Bhujbal family related companies.
- (xx) Geeta Sanjay Joshi, employee of Bhujbal family related companies.
- (xxi) others.

6. Similarly, investigation under PMLA was initiated by registering a case vide ECIR/MBZO/08/2015 dated 17.06.2015 against the following persons/entities in respect of FIR No.69/2015 registered by Taloja Police, Navi Mumbai:

- (i) Devisha Infrastructure Pvt. Ltd.
- (ii) Pankaj Bhujbal, Director of Devisha Infrastructure Pvt. Ltd.
- (iii) Sameer Bhujbal, Director of Devisha Infrastructure Pvt. Ltd.

- (iv) Rajesh Dharap, Director of Devisha Infrastructure Pvt. Ltd.
- (v) Satyen Appa Kesarkar, Director of Devisha Infrastructure Pvt. Ltd.
- (vi) Amit Blraj, Director of Devisha Infrastructure Pvt. Ltd.
- (vii) others.

7. A chargesheet bearing Special Case No.10 of 2016 has been filed on 24.02.2016 by Anti Corruption Bureau, Mumbai before the Hon'ble Sessions Judge, Special Court, Sessions Court, Mumbai in respect of FIR No.35 of 2015 invoking Sections 13(1)(c), 13(1)(d) read with 13(2) of Prevention of Corruption Act, 1988 and Sections 406, 420, 465, 468, 471, 120-B, 109 read with 34 of Indian Penal Code. The said chargesheet was filed against -

- (i) Shri Chhagan Chandrakant Bhujbal;
- (ii) Shri Pankaj Bhujbal, son of Shri Chhagan Bhujbal;
- (iii) Shri Sameer Bhujbal, nephew of Shri Chhagan Bhujbal;
- (iv) Shri Sanjay Joshi, Director of Origin Infrastructure Pvt. Ltd. and Accountant of Mumbai Education Trust where the Bhujbals are trustees;
- (v) Smt. Geeta Sanjay Joshi, wife of Shri Sanjay Joshi and director of M/s. Niche Infrastructure Pvt. Ltd.;
- (vi) Shri Tanvir Shaikh, personal assistant to the trustees of Mumbai Education Trust and director of M/s. Niche Infrastructure Pvt. Ltd.;
- (vii) Smt. Iram Tanvir Shaikh, wife of Shri Tanvir Shaikh and Director of M/s. Origin /infrastructure Pvt. Ltd.:
- (viii) Shri Arun Vithalrao Devdhar, now retired, then Superintendent Engineer, Public Works, Mumbai;
- (ix) Shri Maniklal H. Shah, (now retired), the then Secretary,

(Constructions), Public Works, Mumbai;

(x) Shri Bipin Mukund Sankhe, Chief Architect, Public Works Department, Mumbai;

(xi) Shri Deepak Balkrishna Deshpande, then Secretary (Works) Public Works Department, Mantralaya, Mumbai;

(xii) Shri Devdatta Gangadhar Marathe, then Secretary (Works), Public Works Department, Mantralaya, Mumbai;

(xiii) Shri Anilkumar Baliram Gaikwad, the then Superintendent Engineer, Public Works, Mumbai;

(xiv) Shri Krishna Shantaram Chamankar, partner of M/s. K. S. Chamankar Enterprises;

(xv) Smt. Praveena Prasanna Chamankar, partner of M/s. K. S. Chamankar Enterprises;

(xvi) Smt. Pranita Prashant Chamankar, partner of M/s. K. S. Chamankar Enterprises;

(xvii) Shri Prasanna Shantaram Chamankar;

8. It is alleged by the Anti Corruption Bureau in the said charge sheet that the aforesaid persons hatched a criminal conspiracy to cause loss of crores of rupees to the government exchequer. The public servants intentionally prepared bogus documents which they were aware that the same were false in order to show undue favour and cause undue gain to the developer i.e. M/s. K. S. Chamankar Enterprises.

9. A chargesheet bearing S.C. No.584 of 2018 (Old No.176/2016) was filed by Economic Offence Wing, Navi Mumbai Police in the FIR No.69 of 2015 invoking Sections 120(B), 406 and 420

of Indian Penal Code along with Sections 3, 4, 5, 8 and 13 of Maharashtra Ownership of Flats Act before the Hon'ble First Class Magistrate, Panvel Court, District - Raigad, Maharashtra. The said chargesheet is filed against -

- (i) Shri Pankaj Chhagan Bhujbal
- (ii) Shri Sameer Magan Bhujbal
- (iii) Shri Rajesh Madhav Dharap
- (iv) Shri Satyan Appa Kesarkar
- (v) Shri Amit Blraj

10. It is alleged by the EOW, Navi Mumbai Police in the said charge sheet that the aforesaid persons hatched a criminal conspiracy to cheat the members of public to the tune of Rs.44.04 crores towards booking of flats in their proposed rental housing project. The accused persons knew that land required for the project was not owned/possessed by them nor they had received the requisite permission for development.

11. During investigation, statements of the witnesses and also of the accused were recorded as per Section 50 of the PMLA. Various documents were seized, properties of the accused were attached and finally, complaint came to be filed against 53 accused, including companies, for the offences punishable under Sections 3 r/w 4 r/w 70 of the PMLA, 2002.

12. Further investigation was carried out by the Enforcement Directorate and supplementary complaint came to be filed bearing No.3 of 2018 with addition of some of the accused. Role of each of the accused is mentioned in both the complaints.

13. At the threshold, it is necessary to mention that both the prosecution complaints bearing No.02 of 2016 and 03 of 2018 are filed for the charge of money laundering having regard to the investigation done for the predicate offences and bearing Crime No.35 of 2015 and 69 of 2015 dated 08.06.2015, registered by ACB, Mumbai. Although chargesheet is filed for Crime No.32 of 2015 of ACB, Mumbai which is the case in respect of allegations pertaining to Central Library, Kalina, no prosecution is filed under PMLA in that regard. Therefore, both the prosecution complaints bearing no.PMLA Special Case No.02 of 2016 and 03 of 2018, are based upon the FIR No.35 of 2015 and 69 of 2015. This is an admitted fact and in this regard, para no.7 and 10 of the reply filed by respondent/E.D. at Exhibit-1338A need reference, which are reproduced hereunder:

“7. That investigation against applicant i.e. M/s. Neelkamal Realtors & Builders Pvt. Ltd. (Accused no. 51) and other accused person/entities has been done with regard to transactions with Bhujbal Group companies and therefore, the applicant company (Accused no. 51) and other persons/entities have been incorporated as accused along with main accused i.e. Shri Chhagan Bhujbal in the Prosecution Complaints bearing Special PMLA Case No. 02/2016 and 03/2018 filed in respect of RTO / Maharashtra Sadan case (FIR No. 35/2015) and Hexworld Project (FIR No.69/2015). Investigation against/qua accused person/entities named in both the above-mentioned Prosecution Complaints is completed.

10. It is further submitted that investigation in respect of

FIR No.32/2015 is registered on 08.06.2015 by ACB Mumbai against Chhagan Bhujbal and 5 other public servants for allotment of tender to M/s India Bulls Real Estate Ltd for construction of Central Library at Kalina, Santacruz and alleged payment of Rs.2.5 crores to Chhagan Bhujbal Welfare Foundation by the contractor/their associate entity is pending wherein Chhagan Bhujbal is one of the main accused. **It is to further submit that allegation levelled in the FIR No.32/2015 are entirely different to FIR No.35/2015 & 69/2015 for which Prosecution Complaint has already been filed under PMLA.** Chhagan Bhujbal is common accused. Therefore, leave of the Court is craved to file prosecution complaint against Chhagan Bhujbal who is also named accused in Prosecution Complaint no.02/2016 and 03/2018 upon completion of investigation in respect of allegation pertaining to construction of Central Library, Kalina (FIR No 32/2015). In view of above, the complainant reserves its right to file supplementary complaint if required at later stage with respect to the matter delineated supra.”

As such, the predicate offences for the present PMLA complaint are C.R. No.35 of 2015 and C.R. No.69 of 2015 i.e. Spl. Case No.10 of 2016 and S.C. No.584 of 2018, and not Spl. Case No.18 of 2016 (based on C.R. No.32 of 2015).

14. Before averting to the submissions of the parties, it is necessary to note factual position of the cases of predicate offences based upon which the prosecution complaints are filed.

15. After investigation in Crime No.35 of 2015 of ACB, Mumbai, chargesheet was filed and Special Case No.10 of 2016 was registered against the accused persons. In the said case, except accused no.5 Deepak Deshpande, all the accused are discharged either by this Court or by the order of Hon'ble High Court. The discharge application of accused no.5 Deepak Deshpande was rejected by this Court and revision application challenging the said order is pending before the Hon'ble High Court. As such, as on this date, no prosecution for predicate offence is pending against the accused in Special Case No.10 of 2016, except accused no.5 Deepak Deshpande.

16. Discharge application of accused no.30, 31, 32 and 45 (Chamankar brothers) was rejected by this Court vide order dated 24.10.2024. However, the Hon'ble High Court has allowed their revision petition and thereby discharged all of them vide order dated 16.09.2025.

17. In Sessions Case No.584 of 2018 which is registered on the basis of investigation in Crime No.69 of 2015 of EOW which is called as Hexworld Project, Panvel, out of 5 accused, 4 are discharged vide order dated 08.09.2021 passed by the Sessions Judge. The case is pending only against accused no.5 Amit Balraj. The order of discharge for accused no.1 to 4 in the said case has not been challenged by the State.

18. In Special Case No.18 of 2016 which is filed on the basis of Crime No.32 of 2015 i.e. Kalina Central Library case, out of the 7 accused, accused no.4 and 5 are discharged, whereas accused no.6 is abated. The case is pending against accused nos.1, 2, 3 and 7.

However, as noted above, no proceeds of crime (POC) are traced in Crime No.32 of 2015 and therefore, the prosecution complaints no.02 of 2016 and 03 of 2018 cannot be said to for the proceeds of crime of this case.

**Arguments:**

**Submission on behalf of accused no.34, 39 and 52:**

19. Ld. Advocate Mr. Aseem Naphade for accused nos.34, 39 and 52 has argued that accused nos.39 and 52 were connected only with accused no.2, who has been discharged by this Court in the case of predicate offence. According to him, when the main accused are discharged from the scheduled offence from all the allegations, the case under PMLA, cannot be tried either against them as well as against the remaining accused, including accused nos.39 and 52. The Ld. Advocate has also referred to the order passed by the Hon'ble High Court in Writ Petition No.3400 of 2025 dated 16.09.2025, quashing the PMLA case qua Chamankar brothers.

20. Ld. Advocate Mr. Aseem Naphade has also argued on merits and submitted that even on merits there is no sufficient material and hence, no charge can be framed against accused nos.39 and 52. Giving details, it is argued that there was an agreement of sale with Parvesh Construction, the company concerning Bhujbals, investment was made by Parvesh Construction for three flats of around Rs.13 crores and payments were made between 04.08.2006 to 06.07.2007 and between 11.05.2006 to 31.06.2007 to accused no.51 and 52. The project did not complete and in the consequence, the agreements were cancelled executing two separate deeds on

02.04.2009 and the amount was paid through bank. Thus, according to him, it was not a transaction of money laundering or layering of the funds nor it was connected with the alleged crime. It is therefore, he has sought discharge of accused nos.29 and 52. He has relied upon the judgment of Hon'ble Bombay High Court in the case of "***Vijay Madanlal Choudhary and Others V/s. Union of India and Others***", ***reported in 2022 SCC OnLine SC 929.***

21. Ld. Advocate Mr. Aseem Naphade has also argued for accused no.34 on the similar line, claiming discharge. Giving details, it is argued that as per the allegations in the complaint, Chamankar brothers had bribed the Minister accused no.1 and under those allegations, chargesheet was filed for the predicate offence and in case of money laundering, accused no.34 was added. The ld. Advocate has argued that accused no.34 is not an accused in the case of scheduled offence, that the Chamankar brothers are discharged from PMLA case, who were the main accused. Accused no.1 i.e. Chhagan Bhujbal is also discharged from the predicate offence and therefore, no charge under PMLA can be framed against accused no.34.

22. Apart from the above contentions, it is argued that the transaction of accused no.34 was a plain transaction which had nothing to do with the alleged conspiracy between Chamankar brothers and accused no.1.

**Submission on behalf of accused nos.1, 2, 3 and 25:**

23. Ld. Sr. Counsel Mr. Abad Ponda for accused no.1, 2, 3, and 25 has argued that to frame charge against the accused, there

must be sufficient material available for trial. It is argued that existence of predicate offence is must to identify the proceeds of crime in the absence of proceeds of crime from the predicate offence, no case under PMLA can be tried. It is argued that all the applicants are discharged from the predicate offence and the order of discharge passed in the case of predicate offence, has not been challenged by the State till this date. The ld. Sr. Counsel has taken me through the discharge orders passed by the Special Court in ACB Spl. Case No.10 of 2016, dated 08.09.2021 and 09.09.2021, discharging the accused in the said case which was arising out of Crime No.35 of 2015 of ACB, Mumbai and Crime No.69 of 2015 of EOW. It is argued that at present, there is no case of predicate offence pending against the accused/applicants and therefore, no charge can be framed against them in this case. The ld. Sr. Counsel has relied upon the judgment in the case of "*Vijay Madanlal Choudhary*" (*supra*) on this point.

24. The ld. Sr. Counsel has also brought to my notice the recent judgment of the Hon'ble Bombay High Court in the case of Chamakar brothers (*supra*) and argued that the judgment of the Hon'ble Bombay High Court is on the same point, which squarely covers the present subject. In nutshell, according to the ld. Sr. Counsel, no charge can be framed against the accused when there is no predicate offence pending against them.

25. It is submitted that two revision petitions are filed against the discharge order passed in the case of predicate offence before the Hon'ble High Court, but the revision petitioners are not the State or informant/complainant in the original case. Also it is pointed out that

there is no stay order issued by the Hon'ble High Court in those revision petitions and further that during pendency of those petitions, the discharge order of Chamankar brothers has been passed by the Hon'ble Bombay High Court on 16.09.2025. As such, according to the ld. Sr. Counsel, the accused/applicants deserve to be discharged from the case.

26. The ld. Sr. Counsel has also argued on merits of the case and submitted that even otherwise, having regard to the observations of Special Court in discharge orders, no charge can be framed by this Court in PMLA case.

**Submission on behalf of accused no.37:**

27. It is argued on behalf of accused no.37 by ld. Advocate Mr. Niranjan Mundargi that there is no sufficient material available against him for framing of the charge. Simultaneously, it is also argued that the main accused are discharged in the case of predicate offence, he is not an accused in the case of the predicate offence and therefore, no charge can be framed against him.

28. The ld. Advocate has argued for accused no.37 that there were only two transactions of the accused, who was Director of Universal Import and Export Private Limited Company. His company had purchased four flats from M/s. Parvesh Construction Private Limited and one office premises from M/s. Bhavesh Builders Private Limited for consideration of Rs.13.75 crores and out of the said amount of consideration, Rs.8.25 crores were paid in advance to M/s. Parvesh Construction Private Limited. The balance amount was to be paid at the time of possession. Against the office premises, an amount

of Rs.1 crore was paid as advance to M/s. Bhavesh Builders Private Limited. However, before conclusion of the transaction, accused no.37 exited from the partnership. Nevertheless the purchase were not completed. The only irregularity in the transaction was that it was an unregistered MOU, on stamp paper of Rs.100/-. According to accused no.37, he did not insist for registered agreement because the vendor companies concerned were of powerful politicians such as Sameer Bhujbal and Chhagan Bhujbal. Thus, according to the ld. Advocate Mr. Niranjan Mundargi, even on merits, there is no case of layering of funds. No crime proceeds were involved in the case and hence, no charge can be framed against the accused.

29. Apart from the above facts, the ld. Advocate has argued that when the main accused i.e. the Bhujbals are discharged from the predicate offence and when there is no evidence of money laundering available with the prosecution, no charge can be framed against accused no.37, who comes in picture at a very late stage.

**Submission on behalf of accused nos.4 to 15, 17 to 25, 28, 29, 33, 35, 36, 42, 46, 53 to 59:**

30. The ld. Advocate Mr. Sajal Yadav for accused nos. 4 to 15, 17 to 25, 28, 29, 33, 35, 36, 42, 46 and 53 to 59 has argued that there is no sufficient material on record to frame charges against the accused. It is further argued that the main accused are discharged from the predicate offence, there is no case of generation of crime proceeds and therefore, there can be no charge against any of the accused for offence of money laundering under PMLA.

31. Apart from the above legal hurdle, it is submitted that

there is no evidence to show that the accused/applicants hatched conspiracy with the main accused i.e. Bhujbals and for that reason also, no charge can be framed against them.

32. Ld. Advocate Mr. Sajal Yadav has further argued that except one accused, all other accused are discharged from the case of predicate offence. The accused whose discharge application in the case of predicate offence was rejected i.e. Deepak Deshpande, is not an accused in the PMLA case. It is submitted that the order of discharge of main accused has not been challenged by the prosecution and therefore, no charge can be framed against the accused in PMLA case. The ld. Advocate has argued that if the order of discharge in predicate offence is reversed, the prosecution may come back with a prayer of prosecuting the accused for PMLA and framing of charge. However, when there is no predicate offence available as a foundation, no case under PMLA can be built up. On this point, he has heavily relied on the judgment of the Hon'ble Supreme Court in the case of "*Vijay Madanlal Choudhary*" (*supra*). He has also relied upon the judgment of the Hon'ble Bombay High Court in the case of Chamankar brothers in the same case and submitted that having regard to the observations of the Hon'ble Bombay High Court, no charge can be framed in this case.

**Submissions on behalf of accused nos.40, 43, 49 & 50:**

33. Ld. Sr. Counsel Mr. Sudeep Pasbola for accused nos.40, 43, 49 and 50 has argued in the similar line as above and submitted that framing of charge is not possible unless there are allegations of generation of proceeds of crime in the case of predicate offence. In

addition, he has taken me through the record and made an attempt to show that there were no transactions in respect of proceeds of crime between the other accused and accused no.40, even as per the prosecution case. According to him, the role of accused no.40 Sanjay Kakade was of agreement of purchase of 7000 square feet area from M/s. Parvesh Construction Private Limited, the agreement was cancelled subsequently and the amount was refunded. An amount of Rs.10 crores was taken from accused no.40 and it was returned to him after about one year. According to him, there was no proceeds of crime layered or siphoned in the case nor there was involvement of accused no.40 in any transaction of money laundering or proceeds of crime. Thus, according to him, no charge can be framed against accused no.40 in the present case.

34. So far as accused no.43 Kapil Puri is concerned, Sr. Counsel Mr. Pasbola referred to the statements of different witnesses to show that the transaction between accused no.43 and M/s. Parvesh Construction Private Limited were purely commercial transactions, which were not concerned with any crime proceeds. It is argued that accused no.43 is not an accused in the case of predicate offence, the main accused are discharged from the predicate offence and therefore, no case can stand against accused no.43 under PMLA. He has also relied upon the recent judgment of the Hon'ble Bombay High Court in the case of Chamankar brothers (Writ Petition No.3400 of 2025) and prayed for discharge of the accused.

35. Submissions of the accused/applicants (summarised):

(i) There is no sufficient material available on record to frame

charges against the accused.

- (ii) The accused are discharged from the predicate offence and the discharge orders have attained finality. State has not challenged the discharge orders and therefore, there is no existence of scheduled offence.
- (iii) In the absence of any scheduled offence, there can be no existence of proceeds of crime.
- (iv) Existence of scheduled offence and proceeds of crime cannot be assumed and it is for the prosecution to establish the same.
- (v) In the absence of the scheduled offence, the prosecution agency cannot assume jurisdiction to initiate action under PMLA, 2002 nor it can investigate the predicate offence.
- (vi) When there is no existence of predicate offence and proceeds of crime, no charge can be framed against the accused under the provisions of PMLA, 2002.

#### **Submissions of ld. SPP:**

36. Ld. SPP Mr. Gonsalves has argued that there is sufficient material to show that predicate offence was committed by the accused and although many of them are discharged, it cannot be said that there was no substance in the prosecution. He has submitted that there is specific role of each of the accused in commission of offence and layering and siphoning of the proceeds of the crime. It is submitted that although the State has not challenged the order of discharge of the accused, two revision petitions are filed before the Hon'ble High Court and those are pending for consideration. Therefore, according to him, it cannot be said that there was no substance in the prosecution of predicate offence against the accused.

37. The ld. SPP has submitted a chart describing role of each of the accused in money laundering. According to him, the crime proceeds generated from the predicate offence were layered by the main accused and those were transferred to the accounts of other accused under the guise of purchase of real estate or investments. According to him, if the evidence produced in the PMLA case including the statements of witnesses recorded under Section 50 of PMLA are perused, it can be seen that there is sufficient material to frame charges against all the accused. It is therefore, he has prayed for dismissal of all the applications.

38. On both the sides, written notes of arguments are tendered along with various judicial pronouncements of this Court and the Hon'ble Higher Courts. Those are hereinafter referred and taken into account.

39. From the facts, the following points arise for determination. I record my findings against them for the reasons to follow:

POINTS	FINDINGS
1. Whether the accused/applicants entitled for discharge under Section 227 of Cr.PC. ?	Yes.
2. What order ?	Applications are allowed as per final order.

## **REASONS**

### **AS TO POINT NO.1:**

40. At the very outset, it is necessary to note some factual aspects of the case which are crucial in deciding the discharge applications in this case. The present PMLA case is based upon the allegations of crime proceeds generated by the accused persons from the predicate offences i.e. Crime No.35 of 2015 of ACB, Mumbai and Crime No.69 of 2015 of the EOW, Taloja. After investigation in Crime No.35 of 2015, ACB Spl. Case No.10 of 2016 was registered, whereas after investigation in Crime No.69 of 2015, Sessions Case No.584 of 2018 was registered.

41. In Spl. Case No.10 of 2016, there were 17 accused. Out of them, 16 accused are discharged except accused no.5 namely, Deepak Deshpande. In the discharge order dated 09.09.2021 of the main accused, the ld. Special Court has specifically observed as follows:

*“91. In para-20 of the order dated 9.7.2021 of accused No.5 Mr. Deepak Deshpande, the reasons have been assigned for rejecting the application. In absence of any proper, satisfactory and acceptable justification, it was held that there was a strong suspicion of committing the offence. But when each and every allegation/charge has been considered in detail and from it no case has been made out to hold a trial against the present accused, the citing of the order dated 9.07.2021 does not much help either to prosecution or to the intervenor.*

*92. After taking in the account the materials made available on record and after hearing the submissions of both, it requires to hold that the prosecution has not made out a *prima facie* case against the accused nos.1, 4, 12 to 17 from the materials available on record, though a suspicion against accused nos.1, 4, 12 to 17 has been shown by the prosecution, the same has been properly and satisfactorily explained by the accused nos.1, 4, 12 to 17. None of the ingredients constituting the alleged offences punishable u/sec. 13(2) r/w 13(1)(c) and 13 (1) (d) of the Prevention of Corruption Act, 1988 and under sections 120-B, 406, 420, 465, 468 and 471 r/w. 109 and 34 of the Indian Penal Code are found, so that a trial can be held against the accused nos. 1 & 4. No such ingredients constituting the alleged offences punishable under sections 120-B, 420 r/w. 109 and 34 of the Indian Penal Code are found, so that a trial can be held against the accused nos.12 to 17. There is no sufficient ground for presuming that the accused nos.1 & 4 committed any of the offences punishable u/sec. 13(2) r/w 13(1)(c) and 13 (1)(d) of the Prevention of Corruption Act, 1988 and under sections 120-B, 406, 420, 465, 468 and 471 r/w. 109 and 34 of the Indian Penal Code and accused Nos. 12 to 17 committed the offences punishable under Sections 120-B, 420 r/w. 109 and 34 of the Indian Penal Code, for which a trial is necessary.”*

42. Similar are the observations of the Special Court in the order of discharge of other accused in Spl. Case No.10 of 2016.

Having regard to the above observations, what can be gathered is that the ld. Special Judge found no sufficient material to proceed against the accused persons in Special Case No.10 of 2016 and accordingly discharged them. The sum and substance of the observations as above is that there was no generation of proceeds of crime, as no offence was made out against the accused persons. The above orders of discharge of accused have not been challenged by the State till this date.

43. Similar is the case with Sessions Case No.584 of 2018. In the said case, the ld. Sessions Court has discharged accused nos.1 to 4 vide order dated 08.09.2021 with following observations:

*“32. From the materials of the chargesheet, prima facie, it cannot be inferred that indeed there was an intention of M/s. Devisha Infrastructure Private Limited or its Directors to cheat the informant or any other flat purchaser. There is no material to satisfy the ingredients of the offence of criminal conspiracy, since there was no misrepresentation to any of the flat purchaser.*

*33. From the materials on record, at the most, it can be said that there was a breach of the contract between M/s. Devisha Infrastructure Private Limited and the flat purchasers. The provisions of criminal law cannot be invoked for the breach of contract, when there being a culpable intention absent on the part of defaulting person. The lodging of FIR by the informant was prima facie appearing to be an attempt to resolve the civil dispute by giving it colour of criminal offence. No fraudulent or dishonest intention at the time of accepting the booking*

*amount from the customer is seen.*

*34. After taking in the account the materials made available on record and after hearing the submissions of both, it requires to hold that the prosecution has not made out a prima facie case against the accused nos.1 to 4. None of the ingredients constituting the alleged offences punishable u/sec.120B, 406, 420 of Indian Penal Code and u/sec.13 r/w 3, 4, 5, 8 of Maharashtra Ownership Flats (Regulations of the Promotion of Construction, Sale Management and Transfer) Act, 1963, are found, so that a trial can be held against the accused Nos.1 to 4.”*

44. The case of prosecution in Sessions Case No.584 of 2018 was that accused nos.1 to 5 being the Directors of M/s. Devisha Infrastructure Private Limited, had undertaken a development project at Panvel, Navi Mumbai, they misrepresented the buyers by concealing material facts, deceived them by collecting an amount of approximately Rs.44 crores, who booked 2344 flats in the project. It is alleged that they did not execute agreements with the buyers, neither completed the construction nor delivered possession of the flats to the buyers and thereby cheated them. The allegations were for the offences under Sections 120B, 406, 420 of IPC along with Sections 3, 4, 5, 8 r/w 13 of MOFA Act. The 1d. Sessions Judge, recorded above observations and findings that there was no sufficient material to frame charges against the Directors of M/s. Devisha Infrastructure Private Limited, as there was no sufficient material and hence, discharged the accused. This order has also not been challenged by the State till this date.

45. As such, from the discharge orders passed in both the cases, what can be gathered is that there is specific finding of the competent Court to the effect that no predicate offence is made out for framing of the charges. In nutshell, there was no generation of proceeds of crime from both the above said offences.

#### **The scheme of PMLA:**

46. The object of PMLA is to have check and control on the money laundering of the crime proceeds. Section 3 of the PMLA provides punishment for the offence of money laundering. It runs as follows:

*“3. Offence of money-laundering.— Whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming it as untainted property shall be guilty of offence of money-laundering.*

*Explanation.— For the removal of doubts, it is hereby clarified that,—*

- (i) a person shall be guilty of offence of money-laundering if such person is found to have directly or indirectly attempted to indulge or knowingly assisted or knowingly is a party or is actually involved in one or more of the following processes or activities connected with proceeds of crime, namely:—*
  - (a) concealment; or*
  - (b) possession; or*

- (c) acquisition; or
- (d) use; or
- (e) projecting as untainted property; or
- (f) claiming as untainted property,

*in any manner whatsoever;*

*(ii) the process or activity connected with proceeds of crime is a continuing activity and continues till such time a person is directly or indirectly enjoying the proceeds of crime by its concealment or possession or acquisition or use or projecting it as untainted property or claiming it as untainted property in any manner whatsoever.”*

47. The statute provides for punishment to the persons directly or indirectly involved in the process or activity connected with the proceeds of crime. The term “proceeds of crime” is defined by PMLA under Section 2(u) as follows:

*“Sec.2 (u) “proceeds of crime” means any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence or the value of any such property or where such property is taken or held outside the country, then the property equivalent in value held within the country or abroad;*

*Explanation.—For the removal of doubts, it is hereby clarified that "proceeds of crime" include property not only derived or obtained from the scheduled offence but also any property which may directly or indirectly be derived or obtained as a result*

*of any criminal activity relatable to the scheduled offence;”*

48. From bare reading of the definition and the explanation appended thereto as above, what can be gathered is that the proceeds of crime means the money generated by commission of the scheduled offence, which may directly or indirectly relate to any criminal activity relatable to this scheduled offence. That means, the term “*proceeds of crime*” distinctly relates to commission of scheduled offence. Here the scheduled offence means the offences specified under A, B or C schedule of PMLA.

49. The term “*proceeds of crime*” has been elaborately discussed by the Hon’ble Supreme Court in the case of “*Vijay Madanlal Choudhary and Others*” (*cited supra*) in para nos.31, 32 and 33, which are as follows:

*“31. The “proceeds of crime” being the core of the ingredients constituting the offence of money-laundering, that expression needs to be construed strictly. In that, all properties recovered or attached by the investigating agency in connection with the criminal activity relating to a scheduled offence under the general law cannot be regarded as proceeds of crime. There may be cases where the property involved in the commission of scheduled offence attached by the investigating agency dealing with that offence, cannot be wholly or partly regarded as proceeds of crime within the meaning of Section 2(1)(u) of the 2002 Act — so long as the whole or some portion of the property has been derived or obtained by any person “as a*

*result of" criminal activity relating to the stated scheduled offence. To be proceeds of crime, therefore, the property must be derived or obtained, directly or indirectly, "as a result of" criminal activity relating to a scheduled offence. To put it differently, the vehicle used in commission of scheduled offence may be attached as property in the concerned case (crime), it may still not be proceeds of crime within the meaning of Section 2(1)(u) of the 2002 Act. Similarly, possession of unaccounted property acquired by legal means may be actionable for tax violation and yet, will not be regarded as proceeds of crime unless the concerned tax legislation prescribes such violation as an offence and such offence is included in the Schedule of the 2002 Act. For being regarded as proceeds of crime, the property associated with the scheduled offence must have been derived or obtained by a person "as a result of" criminal activity relating to the concerned scheduled offence. This distinction must be borne in mind while reckoning any property referred to in the scheduled offence as proceeds of crime for the purpose of the 2002 Act. Dealing with proceeds of crime by way of any process or activity constitutes offence of money-laundering under Section 3 of the Act.*

32. *Be it noted that the definition clause includes any property derived or obtained "indirectly" as well. This would include property derived or obtained from the sale proceeds or in a given case in lieu of or in exchange of the "property" which had been directly derived or obtained as a result of criminal activity relating to a scheduled offence. In the*

*context of Explanation added in 2019 to the definition of expression “proceeds of crime”, it would inevitably include other property which may not have been derived or obtained as a result of any criminal activity relatable to the scheduled offence. As noticed from the definition, it essentially refers to “any property” including abroad derived or obtained directly or indirectly. The Explanation added in 2019 in no way travels beyond that intent of tracking and reaching upto the property derived or obtained directly or indirectly as a result of criminal activity relating to a scheduled offence. Therefore, the Explanation is in the nature of clarification and not to increase the width of the main definition “proceeds of crime”. The definition of “property” also contains Explanation which is for the removal of doubts and to clarify that the term property includes property of any kind used in the commission of an offence under the 2002 Act or any of the scheduled offences. In the earlier part of this judgment, we have already noted that every crime property need not be termed as proceeds of crime but the converse may be true. Additionally, some other property is purchased or derived from the proceeds of crime even such subsequently acquired property must be regarded as tainted property and actionable under the Act. For, it would become property for the purpose of taking action under the 2002 Act which is being used in the commission of offence of money- laundering. Such purposive interpretation would be necessary to uphold the purposes and objects for enactment of 2002 Act.*

33. Tersely put, it is only such property which is derived or

obtained, directly or indirectly, as a result of criminal activity relating to a scheduled offence can be regarded as proceeds of crime. The authorities under the 2002 Act cannot resort to action against any person for money-laundering on an assumption that the property recovered by them must be proceeds of crime and that a scheduled offence has been committed, unless the same is registered with the jurisdictional police or pending inquiry by way of complaint before the competent forum. For, the expression “derived or obtained” is indicative of criminal activity relating to a scheduled offence already accomplished. Similarly, in the event the person named in the criminal activity relating to a scheduled offence is finally absolved by a Court of competent jurisdiction owing to an order of discharge, acquittal or because of quashing of the criminal case (scheduled offence) against him/her, there can be no action for money-laundering against such a person or person claiming through him in relation to the property linked to the stated scheduled offence. This interpretation alone can be countenanced on the basis of the provisions of the 2002 Act, in particular Section 2(1)(u) read with Section 3. Taking any other view would be rewriting of these provisions and disregarding the express language of definition clause “proceeds of crime”, as it obtains as of now.”

50. The Hon'ble Supreme Court in the case of “*Vijay Madanlal Choudhary*” (cited *supra*) has also dealt with the term “*scheduled offence*” vis-a-vis “*proceeds of crime*”. The relevant

observations of the Hon'ble Bench are useful for deciding the present discharge applications. Those are quoted thus:

*“175. The expression “scheduled offence” has been defined in Section 2(1)(y). This provision assumes significance as it has direct link with the definition of “proceeds of crime”. In that, the property derived or obtained as a result of criminal activity relating to notified offences, termed as scheduled offence, is regarded as tainted property and dealing with such property in any manner is an offence of money-laundering. The Schedule is in three parts, namely Part A, B and C. Part A of the Schedule consists of 29 paragraphs. These paragraphs deal with respective enactments and the offences specified thereunder which are regarded as scheduled offences. Similarly, Part B deals with offence under the Customs Act specifically and Part C is in relation to offence of cross border implications.”*

51. From the above observations of the Hon'ble Supreme Court, what can be gathered is that a money laundering activity can be indulged in by PMLA Authority only after a property is derived or obtained as a result of criminal activity i.e. a scheduled offence.

52. The ld. SPP Mr. Gonsalves has also argued that the offence under Section 3 r/w 4 of PMLA is a standalone offence and therefore, it has no nexus with the trial of the predicate offence. This submission has also been dealt with by the Hon'ble Supreme Court in the case of *“Vijay Madanlal Choudhary and Others”* (*cited supra*) and following observations from para nos.52 to 54 of the Hon'ble

Supreme Court are decisive on this point:

*“52. The next question is: whether the offence under Section 3 is a standalone offence? Indeed, it is dependent on the wrongful and illegal gain of property as a result of criminal activity relating to a scheduled offence. Nevertheless, it is concerning the process or activity connected with such property, which constitutes offence of money-laundering. The property must qualify the definition of “proceeds of crime” under Section 2(1)(u) of the 2002 Act. As observed earlier, all or whole of the crime property linked to scheduled offence need not be regarded as proceeds of crime, but all properties qualifying the definition of “proceeds of crime” under Section 2(1)(u) will necessarily be crime properties. Indeed, in the event of acquittal of the person concerned or being absolved from allegation of criminal activity relating to scheduled offence, and if it is established in the court of law that the crime property in the concerned case has been rightfully owned and possessed by him, such a property by no stretch of imagination can be termed as crime property and ex-consequenti proceeds of crime within the meaning of Section 2(1)(u) as it stands today. On the other hand, in the trial in connection with the scheduled offence, the Court would be obliged to direct return of such property as belonging to him. It would be then paradoxical to still regard such property as proceeds of crime despite such adjudication by a Court of competent jurisdiction. It is well within the jurisdiction of the concerned Court trying the scheduled offence to pronounce on that matter.*

53. *Be it noted that the authority of the Authorised Officer under the 2002 Act to prosecute any person for offence of money- laundering gets triggered only if there exists proceeds of crime within the meaning of Section 2(1)(u) of the 2002 Act and further it is involved in any process or activity. Not even in a case of existence of undisclosed income and irrespective of its volume, the definition of "proceeds of crime" under Section 2(1)(u) will get attracted, unless the property has been derived or obtained as a result of criminal activity relating to a scheduled offence. It is possible that in a given case after the discovery of huge volume of undisclosed property, the authorised officer may be advised to send information to the jurisdictional police (under Section 66(2) of the 2002 Act) for registration of a scheduled offence contemporaneously, including for further investigation in a pending case, if any. On receipt of such information, the jurisdictional police would be obliged to register the case by way of FIR if it is a cognizable offence or as a non-cognizable offence (NC case), as the case may be. If the offence so reported is a scheduled offence, only in that eventuality, the property recovered by the authorised officer would partake the colour of proceeds of crime under Section 2(1)(u) of the 2002 Act, enabling him to take further action under the Act in that regard.*

54. *Even though, the 2002 Act is a complete Code in itself, it is only in respect of matters connected with offence of money- laundering, and for that, existence of proceeds of*

*crime within the meaning of Section 2(1)(u) of the Act is quintessential. Absent existence of proceeds of crime, as aforesaid, the authorities under the 2002 Act cannot step in or initiate any prosecution.”*

55. As observed above, in the cases of predicate offence Spl. Case No.10 of 2016 and Sessions Case No.584 of 2016, there are specific observations of the Trial Court that there is no sufficient evidence to frame charges against the accused and that no offence has been committed. The findings are to the effect that there was no generation of proceeds of crime from those offences. The orders are not challenged by the State till this date. Not only that, based on the discharge from predicate offence, some of the accused in this case (PMLA case) are discharged by Hon’ble High Court vide the judgment and order passed in Writ Petition No.3400 of 2025, dated 16.09.2025. In fact, based on the findings in the discharge order of the predicate offences, the Hon’ble High Court has quashed the proceeding of PMLA against the co-accused in this case i.e. Krishna Shantaram Chamankar, Prasanna Shantaram Chamankar and M/s. K. S. Chamankar Enterprises (Chamankar Brothers). It would be appropriate to quote the observations and findings of the Hon’ble Bench at this stage.

*“Para-5: At the outset, it be noted here that, the Assistant Director of Respondent No.2 in his Affidavit dated 19<sup>th</sup> August 2025, in para No.8.5 has admitted the fact that, on the basis of FIR No. 35 of 2015, registered by ACB, Mumbai, the Directorate of Enforcement has recorded the ECIR bearing No. ECIR/MBZO/07/2015, dated 17<sup>th</sup> June, 2015*

*and initiated the investigation under PMLA. It be noted here that, the said FIR No.35 of 2015, registered with ACB, Mumbai, was the predicate offence as per the schedule appended to the PMLA, on the basis of which, Respondent No.2 has initiated prosecution against the Petitioners by recording the said ECIR. It is an admitted fact on record that, the Order dated 31<sup>st</sup> July 2021, has attained finality, as it has not been challenged by the ACB, Mumbai, being the prosecuting Agency. The Petitioners in para No. 2 of the Petition have specifically pleaded that, they have been discharged from the said case filed by the ACB, Mumbai.*

5.1) *At the further outset, it may be noted that, the decision in the case of Niket Kansal (supra), has been rendered by the learned single Judge of the Jammu and Kashmir High Court and under the law, it has no binding effect on this Court. Even otherwise a bare perusal of the said decision would clearly indicate that, in the conclusions drawn by the Hon'ble Judge of the said High Court, in para Nos.39, 40 and 42 it has been held that, the ruling issued by the Hon'ble Supreme Court in Vijay Madanlal Choudhary (supra) is binding for all subordinate Courts. That, the judgment must be applied with careful consideration of the specific factual context and legal matters unique to each case, necessitating a case-by-case analysis.*

5.2) *In the case of Pavana Dibbur (supra), the Hon'ble Supreme Court has considered the issue that, an accused in PMLA case, who comes into the picture after the scheduled offence is committed by assisting in the concealment or use*

*of proceeds of crime, need not be an accused in the scheduled offence or not. While enumerating its conclusions, in para No. 31.2, the Hon'ble Supreme Court has held as under:*

*"31.2 Even if an accused shown in the complaint under PMLA is not an accused in the scheduled offence, he will benefit from the acquittal of all the accused in the scheduled offence or discharge of all the accused in the scheduled offence. Similarly, he will get the benefit of the order of quashing the proceedings of the scheduled offence;"*

*5.3) It be noted here that, the decision in the case of *Vijay Madanlal Choudhary (supra)*, is rendered by a three Judge Bench of the Hon'ble Supreme Court and has its own binding effect. The Hon'ble Supreme Court in the case of *Pavana Dibbur (supra)*, has not disturbed the conclusions enumerated by the Hon'ble Supreme Court in the case of *Vijay Madanlal Choudhary (supra)*. Para No. 382.8 of conclusions, reads as under:*

*"382.8 The offence under Section 3 of the 2002 Act is dependent on illegal gain of property as a result of criminal activity relating to a scheduled offence. It is concerning the process or activity connected with such property, which constitutes the offence of money laundering. The authorities under the 2002 Act cannot prosecute any person on notional basis or on the assumption that a scheduled offence has been committed, unless it is so registered with the*

*jurisdictional police and/or pending enquiry/trial including by way of criminal complaint before the competent forum. If the person is finally discharged/acquitted of the scheduled offence or the criminal case against him is quashed by the court of competent jurisdiction, there can be no offence of money laundering against him or any one claiming such property being the property linked to stated scheduled offence through him."*

5.4) *As noted earlier, it is an admitted fact on record that, Petitioners have been discharged by the trial Court from the predicate offence registered by the ACB, Mumbai Division, by its Order dated 31<sup>st</sup> July, 2021 and the said Order has attained finality.*

5.5) *In view thereof, according to us, the conclusion enumerated by the Hon'ble Supreme Court in para No.382.8 in the case of Vijay Madanlal Choudhary (supra), squarely applies to the Petitioners and therefore the ECIR and the charge-sheet filed thereof, registered by Respondent No.2 qua the Petitioners, deserves to be quashed and set aside."*

56. From the above observations, what can be gathered is that once the accused are discharged from the case of predicate offence, they cannot be prosecuted for the offence punishable under PMLA. Having regard to the mandate of law, no trial can proceed against the accused persons who are discharged from the case of predicate offence. Also when there are specific findings that there was no generation of proceeds of crime, no question arises of layering

or siphoning of the proceeds of crime further. Therefore, the role attributed to the rest of the accused in PMLA case comes to an end. They cannot be prosecuted for the offence of money laundering, when there is no more a case of generation of crime proceeds in existence.

57. There is one more aspect which require consideration at this stage. The properties of the accused were attached under PMLA by E.D. with the claim that those were purchased or acquired out of the proceeds of crime in the predicate offence. All these properties are released by the Appellate Tribunal for SAFEMA at New Delhi, vide orders dated 09.09.2024 on applications moved by different accused in the present case. Ld. SPP Mr. Gonsalves has conceded the fact that the Appellate Tribunal for SAFEMA has released all the properties attached in the present case setting aside the provisional attachment orders. There are specific observations of the Appellate Tribunal about absence of the material to exhibit proceeds of crime, as the accused are discharged from the predicate offence. The relevant observations of the Hon'ble Tribunal, which are common in all the orders, are quoted thus:

*“22. In the instant case, the specific allegation exists against the accused for the commission of a predicate offence. The offence under the Act of 2002 is in reference to their alleged criminal acts pertaining to the scheduled offence where they have been discharged. Hence, when the accused having been discharged from the scheduled offence, the impugned orders cannot sustain.”*

58. Earlier, some of the accused in the present case had

applied for dropping of the proceeding on the basis of discharge from the cases of predicate offences. However, said application of the accused was rejected by my ld. Predecessor on 27.10.2023 with the observations that there is no provision of dropping of proceeding after taking of cognizance by the Court and it is observed that the only course available for accused was to file discharge application under Section 227 of the Cr.P.C. The relevant observations in the said order are reproduced hereunder:

*“34. It is to be noted here that the Code of Criminal Procedure is silent on the aspect of dropping the proceedings. It is imperative to note that after taking the cognizance of the offence, the only course available for the accused is to file discharge application under Section 227 of the Cr.P.C. Notably, this Court is not having inherent powers to go beyond the procedure which is prescribed in the Cr.P.C. I have duly considered the authoritative pronouncements filed on behalf of the applicants. These are on the point of non-application of PMLA Act once the accused is discharged/acquitted of the scheduled offences. However, none of these authorities is on the direct point of stopping or dropping of criminal proceedings against the accused under the PMLA”*

59. After dismissal of the application for dropping of proceeding, the accused persons have filed the discharge applications, which are under determination.

60. The ld. SPP Mr. Gonsalves has pointed out that this Court

had rejected the discharge application of Chamankar brothers vide order dated 24.10.2024 observing that the accused have not been finally discharged from the predicate offence because two revision applications are pending before the Hon'ble High Court.

61. What is necessary to note here is that the discharge orders passed in the cases of predicate offences have not been challenged by the State. The revision petitions are filed by private persons before the Hon'ble High Court, in which there is no interim relief granted by the Court. A revision petition cannot be said to be continuation of trial of the case. Also pendency of revision petition cannot be said pendency of the case before the Court. The said order of my ld. Predecessor was considered by the Hon'ble High Court in Writ Petition No.3400 of 2025 and the PMLA Case has been quashed qua the Chamankar brothers. The observations and findings recorded by Hon'ble High Court in Writ Petition No.3400 of 2025 are binding upon this Court. Having regard to the findings, the case of PMLA cannot be continued against the other accused also.

62. The above observations lead me to conclude that in the discharge orders passed in ACB Spl. Case No.10 of 2016 and Sessions Case No.584 of 2018, the Court has held that no offence was committed against the accused persons. They are discharged. The observations are clear to the effect that there was no generation of proceeds of crime. When there were no proceeds of crime, no question of its layering or siphoning further arises. In the present case, accused nos.1, 2, 3, 21, 22, 25, 28, 30 and 32 are the common accused i.e. they were accused in the predicate offences and also they

are accused in the PMLA case. They are already discharged from the charge of commission of predicate offence and therefore, no case of money laundering can be tried against them for offence under Section 3 r/w Section 4 of PMLA. The other accused in PMLA case either individuals or companies alleged to have layered or siphoned the crime proceeds of the predicate offence in collusion with the accused in the case of predicate offence. However, when there is specific finding of the Court that there was no generation of proceeds of crime, no charge for the offence of money laundering can be framed against other accused also.

63. The ld. Advocates for the accused/applicants have also argued the case on merits referring to different documents and transactions. However, when there is clear discharge of the accused from predicate offences and when the State has not challenged the findings of non-generation of proceeds of crime by commission of the predicate offences, this Court finds it unnecessary to go into the details of the transactions entered by the parties inter se. It is necessary to note here that the prosecution in this case has come with specific and exclusive charge of money laundering under Section 3 r/w 4 r/w 70 of PMLA. No other charge or allegations levelled against the accused can be looked into in this case. For that reason also, the scope of inquiry becomes limited.

#### **CONCLUSION:**

64. To prosecute the accused for the offence of money laundering under PMLA, the existence of scheduled (predicate) offence is must. Existence of predicate offence can only be established by

proceeds of crime, of which layering or siphoning is possible. As such the very foundation of offence of money laundering is the crime proceeds of the predicate offence. In the absence of subsisting predicate offence and existence of “proceeds of crime”, within the meaning of Section 2(1)(u) of the Act, no offence under section 3 read with 4 of PMLA can be made out. The prosecution under PMLA without existence of the proceeds of crime related to the predicate offence is akin to a tree without roots, devoid of legal sustenance and incapable of surviving judicial scrutiny.

65. The prosecution i.e. ED had traced proceeds of crime and its siphoning, and attached the properties which were allegedly acquired or purchased out of the proceeds of crime of the predicate offence. As observed in para Supra, the Appellant Tribunal of SAFEMA has set aside all the provisional and confirmed attachment orders with the observation that those properties cannot be said to have been acquired using the proceeds of crime. As such, at present no property is under attachment in the present case. It is necessary to note here that the said orders of the Appellate Tribunal have also not been challenged by the prosecution.

66. The orders of discharge of accused in the predicate offence have reached finality. The orders of release of the attached properties have also reached finality. Under these circumstances, continuation of the PMLA proceedings for the offence under section 3 r/w 4 becomes a dead-wood.

67. At this juncture, it is necessary to note that discharge

applications are not filed by all the accused in the case. Further, discharge applications of accused no.31 Prashant Chamankar, accused no.38 Vinodkumar Goenka and No.48 D. B. Realty were rejected by this Court before passing of the order of discharge of accused persons in the cases of predicate offences. The Revision Petitions against the orders of this Court are pending before the Hon'ble High Court and for this reason, at this stage, no effective orders could be passed in respect of accused nos.31, 38 and 48. Some of the accused have not filed application for discharge. Therefore, no orders could be passed about continuation of proceedings against them. However, it is necessary to discharge all the applicants from the charge of the offence of money laundering. Accordingly, I answer point nos.1 and 2 and proceed to pass the following order.

**ORDER**

1. The applications at Exh.407, 1126, 1127, 1128, 1129, 1130, 1131, 1135 and 1125, 1133, 1134, 1136, 1137, 1145, 1170, 1171, 1172, 1173, 1174, 1175, 1176, 1177, 1178, 1481, 1482, 1483, 1484, 1485 1486, 1487, 1488, 1489, 1490, 1491, 1492, 1493, 1494, 1495, 1496 stand allowed.
2. **Accused No.37** Narayan Jethanand Pagrani, **Accused No.17** Suresh Brahmanand Jajodia, **Accused No.18** Pravinkumar Hukumchand Jain, **Accused No.19** Sanjeev Bimalkumar Jain, **Accused No.20** Chandrashekhar Madanlal Sarda, **Accused No.42** Jagdish Prasad Bhalchand Purohit, **Accused No.53** M/s. Kumaon Engineering Co. Ltd., **Accused No.34** Dhanpat Parshuram Seth, **Accused No.35** Rajesh Mohanlal Mistry, **Accused No.36** Vipul Kanaiyalal Kakaria, **Accused No.59** M/s. Royal Enterprises, **Accused No.33** Shailesh Swarupchanda Mehta, **Accused No.46** M/s. Prime Builders and Developers, **Accused No.43** Kapil Rajprakash Puri, **Accused No.52** M/s. Neelkamal Central Apartment LLP, **Accused No.39** Asif Yusuf

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Balwa, **Accused No.40** Sanjay Dattatrey Kakade, **Accused No.49** Kakade Infrastructure Pvt. Ltd., **Accused No.50** Sky Lux Cityscapes Pvt. Ltd., **Accused No.1** Chhagan Chandrakant Bhujbal, **Accused No.2** Sameer Magan Bhujbal, **Accused No.3** Pankaj Chhagan Bhujbal, **Accused No.25** Satyan Appa Kesarkar, **Accused No.56** Dilip Jagganath Khaire, **Accused No.21** Sanjay Diwakar Joshi, **Accused No.22** Tanvir Ismail Shaikh, **Accused No.23** Deepak Vitthal Shinde, **Accused No.24** Nilesh Ramchandra Shahu, **Accused No.28** Rajesh Madhav Dharap, **Accused No.29** Nimish Madhav Bendre, **Accused No.4** M/s. Pravesh Construction Pvt. Ltd., **Accused No.5** M/s. Devisha Infrastructure Pvt. Ltd., **Accused No.6** Armstrong Energy Pvt. Ltd., **Accused No.7** M/s. Origin Infrastructure Pvt. Ltd., **Accused No.8** M/s. Niche Infrastructure Pvt. Ltd., **Accused No.9** M/s. Matrubhoomi Infrastructure Pvt. Ltd., **Accused No.10** M/s. Yashodhan Infrastructure Pvt. Ltd., **Accused No.11** M/s. Deepam Infrastructure Pvt. Ltd., **Accused No.12** M/s. Bavesh Builders Pvt. Ltd., **Accused No.13** M/s. Anandvan Infrastructure Pvt. Ltd., **Accused No.14** Armstrong Infrastructure Pvt. Ltd., **Accused No.15** M/s. Intellectual Management Consultants Pvt. Ltd., **Accused No.54** M/s. Armstrong Pure Water Services Pvt. Ltd., **Accused No.55** M/s. Growth Infrastructure Pvt. Ltd., **Accused No.57** Bhujbal Wines Pvt. Ltd., **Accused No.58** M/s. Virtual Tours Pvt. Ltd. are hereby discharged for the offence under section 3 punishable under section 4 r/w section 70 of PMLA.

3. Their bail bonds stand cancelled.



(Satyanarayan R. Navander)  
Special Judge  
City Sessions Court,  
Gr. Bombay.

Dictated on : 21.01.2026 and 22.01.2026  
Transcribed on : 21.01.2026 and 22.01.2026  
Signed by HHJ on : 23.01.2026

“CERTIFIED TO BE TRUE AND CORRECT COPY OF THE ORIGINAL SIGNED JUDGMENT/ORDER”		
UPLOAD DATE	TIME	NAME OF STENOGRAPHER
23.01.2026	6.10 p.m.	Mr. Bharat Gaikwad and Mr. Siddhesh Shirke
Name of the Hon'ble Judge		HHJ Shri Satyanarayan R. Navander (Court Room No.55)
Date of Pronouncement of Judgment/Order		23.01.2026
Judgment/Order signed by P.O. on		23.01.2026
Judgment/Order uploaded on		23.01.2026