



2026:DHC:9195



* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Judgment reserved on: 12th October 2026
Judgment pronounced on: 15th October 2026

CNR No. DLHC010475352026

+ **BAIL APPLN. 4194/2026 & CRL.M.A. 31089/2026**

NAYAN N RAHEJA

.....Applicant

Through: Mr. Vikas Pahwa, Sr. Advocate with
Mr. Sandeep Kapur, Ms. Manmeet
Kaur, Mr. Irfan Muzamil, Mr.
Jasmeet Singh, Mr. Rishabh Munjal,
Ms. Priyal Jain, Ms. Kholi Rakuzhuro
and Mr. Kunal Kochar, Advocates.

versus

DIRECTORATE OF ENFORCEMENT

.....Respondent

Through: Mr. Rajat Nair, Mr. Sarthak Sehgal,
Mr. Devashish Dixit, Mr. Alok
Dubey, Mr. Ashirwad and Mr.
Priyanshu, Advocates.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

JUDGMENT

AMIT BANSAL, J.

1. By way of the present application, the applicant seeks anticipatory bail under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 read with Sections 45 and 65 of the Prevention of Money Laundering Act, 2002 ("PMLA") in ECIR/DLZO-II/30/2022 dated 31st March 2022, registered by the Directorate of Enforcement, Delhi Zonal Office-II ("ED"), for an offence under Sections 3 and 4 of the PMLA.



2. Earlier, the applicant's anticipatory bail application was dismissed by the ASJ-02 cum Special Judge, South-East, Saket Courts (hereinafter 'Sessions Court'), *vide* order dated 19th September 2026.

FACTUAL BACKGROUND

3. Brief facts relevant for deciding the present bail application are as under:-

3.1 Between 2018 and 2023, eight (8) FIRs were registered against Raheja Development Limited (hereinafter 'RDL') and Sh. Navin Raheja, the father of the applicant, by the Economic Offences Wing, Delhi ('EOW') and Gurugram Police. The applicant was also named as an accused in three (3) of the said FIRs.

3.2 Chargesheets were filed in two (2) of the aforesaid FIRs and the applicant was not arrayed as an accused.

3.3 On 31st March, 2022, ED registered a case based on the six (6) FIRs registered against RDL.

3.4 On 9th May, 2025, the applicant received summons under Section 50 of PMLA to appear before the investigation agencies. Pursuant thereto, he appeared before the investigating agency on 15th May 2025 and 19th May 2025.

3.5 On 27th June, 2025, search and seizure operation under Section 17 of PMLA was conducted by ED at RDL's office and the residence of the applicant.

3.6 On 4th December, 2025, fresh summons were issued to the applicant in the impugned ECIR and the applicant duly appeared before the ED on 10th December, 2025 and 12th December, 2025.



2026:DHC:9195



3.7 On 8th April, 2026, an addendum to the ECIR dated 31st March, 2022 was registered by the ED, which was followed by a second search and seizure operation conducted by the ED at multiple locations.

3.8 On 28th April, 2026, a provisional attachment order was issued under Section 5 (1) of the PMLA. This was followed by a second provisional attachment order dated 5th June, 2026 and a third provisional attachment order dated 30th July 2026.

3.9 The applicant filed a writ petition being W.P.(Crl.) 2256/2026 seeking quashing of the complaint filed by the ED. This Court issued notice in the said writ petition and noted an undertaking on behalf of the applicant that he will fully cooperate in the investigation.

3.10 The applicant filed an application seeking anticipatory bail before the Sessions Court on 31st July 2026.

3.11 In the ED's application seeking Non-Bailable Warrants ("NBW") against the applicant, an order was passed by the Sessions Court on 3rd August, 2026, granting interim protection. However, this Court, *vide* order dated 13th August, 2026, in W.P.(Crl.) 2424/2026, filed by the respondent/ED, stayed the operation of this order granting interim protection.

3.12 On 19th September, 2026, the anticipatory bail application filed by the applicant was dismissed by the Sessions Court.

SUBMISSIONS ON BEHALF OF THE APPLICANT

4. Mr Vikas Pahwa, senior counsel appearing on behalf of the applicant, submits as follows:

4.1. The applicant was not responsible for the day-to-day management or financial affairs of RDL. The applicant ceased to be a director of RDL on



2026:DHC:9195



26th November, 2010, and holds only 0.81% shareholding in the company. The applicant's shareholding in the other group/subsidiary companies of RDL is nominal and he is not involved in day-to-day management of the said companies.

4.2. The applicant was named in only three (3) of the eight (8) predicate FIRs forming the foundation of the subject ECIR. In two of the said three FIRs, chargesheets have been filed without arraying the applicant as an accused, whereas the third FIR has been quashed by the Punjab and Haryana High Court *vide* judgment dated 10th August, 2026 in CRM-M-36186-2026. The applicant has not been named in the remaining five (5) FIRs. Thus, no scheduled offence survives against him.

4.3. The status of real estate projects, as alleged by ED, is inconsistent with the actual position on the ground. ED's classification of RDL's housing projects, namely Raheja Mall, Raheja Vedanta, Raheja Atharva and Shilas and Raheja Aranya City, as 'incomplete' is factually incorrect, as the said projects are completed and delivered projects having been occupied for several years.

4.4. In respect of the transactions involving the transfer of approximately Rs.380 crores to M/s Arabtec Construction (India) Private Limited, reliance is placed upon the second supplementary chargesheet filed by the EOW in FIR No.213/2018 which records that no evidence of diversion came on record against Arabtec India and its directors and does not name the applicant. With respect to the transfer of Rs.1.23 crores from the applicant's father to the applicant, the amount of Rs.1.23 crores was received from the applicant's father through disclosed banking channels and the source of the said funds has already been explained to the ED.



2026:DHC:9195



4.5. The applicant has joined the investigation physically on several occasions, including on 15th May 2025, 19th May 2025, 10th December 2025 and 12th December 2025, furnished documents and submitted written explanations. The case of ED rests on documentary evidence already in its possession therefore, custodial interrogation of the applicant is unwarranted.

SUBMISSIONS ON BEHALF OF THE RESPONDENT

5. Counsel appearing on behalf of the respondent/ED opposes the grant of anticipatory bail to the applicant and submits as follows:

5.1. The investigation has revealed systematic diversion and utilisation of funds collected from homebuyers and that the applicant was actively involved in the affairs of RDL and its associated entities. Reliance is placed upon the financial transactions, digital records recovered during investigation and statement recorded under Section 50 of the PMLA.

5.2. The present application is liable to be rejected on the ground of the petitioner's conduct alone, which is described as under:

- i. The applicant has failed to appear before the ED despite repeated summons issued to him under Section 50 of the PMLA on several occasions after December 2025 that has impeded the examination of relevant facts and circumstances pertaining to the ongoing investigation.
- ii. The applicant has failed to respond to the officers of the ED during the search proceedings conducted under Section 17 of the PMLA on 25th April 2026, during which an iPad Pro was seized from the residence of the applicant's wife and which contains project-wise details of the costs, expenses and unsold inventory of RDL.



2026:DHC:9195



- iii. Despite judicial orders, where the applicant's undertaking to cooperate in the investigation was recorded by the Court, he failed to appear before the ED in response to summons dated 13th August 2026 and 17th August 2026, which required his presence on 14th August 2026 and 18th August 2026, respectively.
- iv. The applicant's replies to the summons, his request for exemption and to appear through video conferencing do not discharge his obligation under Section 50 (3) of PMLA to attend in person and state the truth. Reliance is placed on ***Vijay Madanlal Choudhary v. Union of India***¹ and ***Amanatullah Khan v. Directorate of Enforcement***². Custodial interrogation of the applicant is necessary to confront him with the material collected during investigation and to ascertain the ultimate utilisation of the alleged proceeds of crime.

5.3. The Sessions Court has passed a detailed and reasoned order dated 19th September, 2026, after considering the material placed on record and has rightly concluded that the applicant does not satisfy the twin conditions prescribed under Section 45 of the PMLA.

PROCEEDINGS BEFORE THIS COURT

6. Notice in the present application was issued *vide* order dated 1st October 2026.

7. An affidavit in reply along with written note of submissions has been filed on behalf of the respondent/ED. Written submissions on behalf of the applicant have been handed over in Court and the same are taken on record.

¹ 2022 SCC OnLine SC 929.

² 2024 SCC OnLine Del 1658.



2026:DHC:9195



8. The matter was heard before this Court on 6th October 2026, 9th October 2026 and 12th October 2026, after which the judgment was reserved.

ANALYSIS

9. I have heard the counsel for the parties and examined the record of the case.

10. It is no longer *res integra* that the twin conditions prescribed under Section 45 of the PMLA are also applicable to anticipatory bail proceedings. Reference in this regard may be made to observations of the Supreme Court in ***Vijay Madanlal Choudhary v. Union of India***³; ***Enforcement Directorate v. Dr. V.C. Mohan***⁴.

11. The twin conditions prescribed under Section 45 of PMLA are set out below:-

- i. There are reasonable grounds for believing that the accused is not guilty of offence of money laundering; and
- ii. That the accused is not likely to commit any offence while on bail.

12. Therefore, while considering grant of anticipatory bail to the applicant in the present case, the Court has to satisfy itself of the aforesaid twin conditions as provided under Section 45 of the PMLA.

13. The main contention raised on behalf of the applicant is that ED wrongly proceeds on the basis that all the projects carried out are incomplete and under construction, which is contrary to the record. It is further contended that the amount of diversion of funds claimed by the ED is

³ 2022 SCC OnLine SC 929, ¶ 315-316.

⁴ (2022) 16 SCC 794, ¶ 4-6.



completely at variance with the amounts quantified by the predicate agency i.e. EOW, in the chargesheets filed in the 8 FIRs, which is only Rs.151.83 crores. It is contended on behalf of the applicant that as per ED, the total funds collected by RDL from home buyers is Rs.2,699.13 crores and the funds allegedly diverted out for non-construction purposes is Rs.1353.26 crores. It is submitted that the quantification of proceeds by ED is completely illogical and beyond the provisions of PMLA. On the other hand, the total value of the properties attached by ED is to the tune of Rs.3,400 crores, which is double the amount of alleged diversion.

14. *Per contra*, it is the case of ED that the amount quantified by EOW is only based on the 8 FIRs filed by 8 individual complainants. Therefore, the same cannot be the basis for quantifying the total funds siphoned by the accused persons. It is submitted that, on the basis of investigation carried out by ED, a total of Rs.1601.63 crores has been diverted from the amounts paid by the home buyers.

15. Section 3 of the PMLA provides that whosoever directly or indirectly attempts to indulge in, knowingly assists, knowingly becomes a party to, or is actually involved in, any process or activity connected with the proceeds of crime, including their concealment, possession, acquisition or use, or projecting or claiming them as untainted property, shall be guilty of the offence of money-laundering.

16. The term 'proceeds of crime' is defined under Section 2 (1)(u) of the PMLA in the following terms:-

“(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”



17. It is a settled position of law that money laundering under PMLA is a standalone offence. Therefore, the investigation carried out by ED under the provisions of PMLA is a separate investigation. In this regard, reference may be made to the relevant observations made by the Supreme Court in **Vijay Madanlal** (supra), which are set out below:

“134. From the bare language of Section 3 of the 2002 Act, it is amply clear that the offence of money laundering is an independent offence regarding the process or activity connected with the proceeds of crime which had been derived or obtained as a result of criminal activity relating to or in relation to a scheduled offence. The process or activity can be in any form — be it one of concealment, possession, acquisition, use of proceeds of crime as much as projecting it as untainted property or claiming it to be so. Thus, involvement in any one of such process or activity connected with the proceeds of crime would constitute offence of money laundering. This offence otherwise has nothing to do with the criminal activity relating to a scheduled offence — except the proceeds of crime derived or obtained as a result of that crime.

147. We may also note that argument that removing the necessity of projection from the definition will render the predicate offence and money laundering indistinguishable. This, in our view, is ill founded and fallacious. This plea cannot hold water for the simple reason that the scheduled offences in the 2002 Act as it stands (amended up to date) are independent criminal acts. It is only when money is generated as a result of such acts that the 2002 Act steps in as soon as proceeds of crime are involved in any process or activity. Dealing with such proceeds of crime can be in any form — being process or activity. Thus, even assisting in the process or activity is a part of the crime of money laundering. We must keep in mind that for being liable to suffer legal consequences of one's action of indulging in the process or activity, is sufficient and not only upon projection of the ill-gotten money as untainted money. Many members of a crime syndicate could then simply keep the money with them for years to come, the hands of the law in such a situation cannot be bound and stopped from proceeding against such person, if information of such illegitimate monies is revealed even from an unknown source.



148. The next question is : Whether the offence under Section 3 is a stand-alone 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.”

[Emphasis supplied.]

18. These observations were reiterated by the Supreme Court in **Directorate of Enforcement v. Aditya Tripathi**⁵.

19. Therefore, this Court does not find merit in the submission of the applicant that ED cannot go beyond the proceeds of crime that are the subject matter of the chargesheets filed in relation to the predicate offence. In the present case, the investigation carried out by the respondent/ED shows that large sums of money amounting to Rs.1601.63 crores have been diverted.

20. On behalf of the applicant, it is contended that there has been no unlawful transfer of funds or siphoning of funds. All the funds received from home buyers have been used for legitimate purposes.

21. At the stage of deciding the anticipatory bail application, the Court is not required to conduct a mini-trial to determine the quantum of funds diverted or whether the transfers were legitimate business transfers or amounted to diversion/siphoning of funds. The said issues are presently under investigation and cannot be accepted at face value at the stage of considering anticipatory bail.

22. Next, it is the contention of the applicant that the applicant is named only in 3 out of the 8 FIRs, and one of the said FIRs has been quashed by the

⁵ 2023 SCC OnLine SC 619.



2026:DHC:9195



Punjab and Haryana High Court, whereas in other 2 FIRs, the applicant has not been chargesheeted. He contends that he was not involved in the management and affairs of the subsidiary/group companies of RDL and his shareholding in such companies was nominal.

23. The respondent/ED contends that a substantial part of the funds received from home buyers went to group companies of RDL of which the applicant was a Director.

24. It is contended on behalf of the ED that it is not necessary for the applicant to be named as an accused or chargesheeted in the scheduled offence for him to be arrayed as an accused under the PMLA. The Supreme Court in **Vijay Madanlal** (supra) has clarified that even if a person is not named as an accused in the scheduled offence, he can still be treated as an accused in proceedings under PMLA, if it is shown that he is involved in any proceedings or activity connected with the proceeds of crime. Paragraph 169 of **Vijay Madanlal** (supra) is set out below:

*“169. As aforesaid, in this backdrop Amendment Act 2 of 2013 came into being. Considering the purport of the amended provisions and the experience of implementing/enforcement agencies, further changes became necessary to strengthen the mechanism regarding prevention of money laundering. It is not right in assuming that the attachment of property (provisional) under the second proviso, as amended, has no link with the scheduled offence. Inasmuch as Section 5(1) envisages that such an action can be initiated only on the basis of material in possession of the authorised officer indicative of any person being in possession of proceeds of crime. The precondition for being proceeds of crime is that the property has been derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence. **The sweep of Section 5(1) is not limited to the accused named in the criminal activity relating to a scheduled offence. It would apply to any person (not necessarily being accused in the scheduled offence), if he is involved in any process or activity connected with the proceeds of crime. Such a person besides facing the consequence of provisional attachment order, may end up***



2026:DHC:9195



in being named as accused in the complaint to be filed by the authorised officer concerning offence under Section 3 of the 2002 Act.”

[Emphasis supplied.]

25. In the present case, investigation conducted by the ED has revealed that the applicant was looking after the day-to-day affairs of RDL and its group entities. Even in the group companies/subsidiaries, where the substantial shareholding is held by RDL, the applicant has been a Director in the said companies. [Refer: Table 3 at page 114 of the respondent's affidavit]

26. The iPad belonging to the applicant was seized from the house of his wife. The iPad contains the details of project cost, expenses and unsold inventory data of RDL's projects which, on forensic analysis, shows that the applicant was looking into the affairs of RDL even though he did not hold any key position in it. [Refer: Table 2 at page 111 of the respondent's affidavit]

27. The applicant contends that this information was available with him as he was an Architect by qualification and therefore needed this information. This is a defence taken by the applicant which can be tested only at the stage of trial.

28. A statement under Section 50 of PMLA has also been recorded by the ED of one of the employees of RDL, Mr. Yogesh Huria, in terms of which the applicant was looking after the affairs of RDL. [Refer: Table 2 at page 111 of the respondent's affidavit]

29. The Sessions Court passed a detailed order rejecting the anticipatory bail of the applicant. The said order has discussed in detail the evidence/incriminating material found against the applicant. In paragraphs



2026:DHC:9195



55 to 74, the Court has discussed the evidence collected by the Investigating Agency in respect of siphoning of funds from RDL to its group of subsidiary companies.

30. This Court does not find any infirmity in the said order passed by the Sessions Court.

31. It has been vehemently contended on behalf of the ED that the applicant has failed to appear before the ED pursuant to the summons issued to the applicant. In this regard, it is submitted on behalf of the ED that after December 2025, the applicant failed to respond to the summons issued by the ED. It is submitted that 9 summons were issued to the applicant on 8th April, 2026, 9th April, 2026, 13th April, 2026, 28th April, 2026, 6th May, 2026, 18th May, 2026, 19th June, 2026, 13th August, 2026 and 17th August, 2026.

32. On behalf of the applicant, it is contended that the applicant duly responded to the summons sent by the ED and gave genuine and valid reasons for not appearing.

33. A perusal of some of the responses given by the applicant to the summons issued by the ED would show that the applicant has stated that he was out of station or requested to appear through VC. Pertinently, the applicant has failed to appear before the ED since the time his iPad containing incriminating material was seized by the ED in April, 2026. (Responses of the applicant to the summons, post the seizure of the iPad, are at Annexure P-33 and Annexure P-35 to the application.)

34. In the opinion of this Court, the reasons given by the applicant for not appearing in person before the ED in response to the said summons are not justified. It has been held by this Court in ***Amanatullah Khan v. Directorate***



2026:DHC:9195



*of Enforcement*⁶ that a person summoned under Section 50 of PMLA is bound to appear in person. Further, just because a person has appeared earlier would not preclude the Investigating Agency from summoning the said person again in light of new facts. (Ref. *Homi Rajvansh v. Central Bureau of Investigation*⁷).

35. In the order passed by this Court on 30th July, 2026 in the writ petition filed by the applicant seeking quashing of the proceedings under the PMLA [W.P. (Crl.) 2256/2026], the applicant had undertaken that he would fully cooperate with the ED. Even before the Sessions Court, *vide* order dated 3rd August, 2026, interim protection was granted to the applicant, noting that the applicant is ready and willing to join and cooperate in the investigation. Even after the said two judicial orders, the applicant did not respond to the summons issued to him on 13th August, 2026 and 17th August, 2026. In response to both the aforesaid summonses, the applicant sought permission to appear through VC.

36. Despite undertakings given to the Court, the applicant has failed to join and cooperate in the investigation when he was summoned by the Investigating Agency. This conduct of the applicant would also disentitle him from the grant of anticipatory bail.

37. In light of the above, this Court is of the view that the applicant has failed to satisfy the twin test under Section 45 of the PMLA. Based on the material on record, it cannot be said that the applicant is not guilty of the offence of money laundering and further that the applicant would not be involved in the said activity upon grant of bail. The investigation is still

⁶ 2024 SCC OnLine Del 1658, ¶ 28-29.

⁷ 2011 SCC OnLine Del 4709, ¶ 23.



2026:DHC:9195



ongoing and the role of the applicant is being investigated. The Supreme Court in ***CBI v. Anil Sharma***⁸ has clearly held that custodial interrogation is necessary for the purposes of an effective investigation. The non-appearance of the applicant pursuant to repeated summons issued by ED would disentitle the applicant to protection.

38. Consequently, the present bail application is dismissed.

39. Nothing stated herein shall be taken as an expression or opinion on the merits of the case.

AMIT BANSAL, J

OCTOBER 15, 2026

Vivek/-

⁸ (1997) 7 SCC 187, ¶ 6.