IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

FRIDAY, THE NINTH DAY OF JANUARY
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE E.V. VENUGOPAL

CRIMINAL PETITION NO: 2605 OF 2025 & 2607 OF 2025

CRIMINAL PETITION NO: 2605 OF 2025

Between:

Om Prakash Sharma, S/o. Shri Girdharilal Sharma, Aged about 59 years, Occ: Business, R/o. 1104, Artica-A, Lodha Aqua, Opp: Thakur Mall, Western Express Highway, Mira Road, Thane-401 107, Maharashtra State.

...PETITIONER/ACCUSED No.16

AND

The Directorate of Enforcement represented by its Deputy Director, Government of India, Hyderabad, Hyderabad Zonal Office, 3rd Floor, Shakar Bhavan, Basheerbagh, Hyderabad-500 054, through its Special Public Prosecutor, High Court for the State of Telangana, High Courts Buildings, Hyderabad

...RESPONDENT/DEFACTO COMPLAINANT

Petition under Section 528 of BNSS, 2023 praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to quash the proceedings in PMLA-SC. No. 264 of 2022, on the file of the Court of the Metropolitan Sessions Judge-Cum-Special Court under the prevention of money laundering Act (PMLA), 2002 at Nampally, Hyderabad, Telangana, insofar as the petitioner is concerned.

I.A. NO: 2 OF 2025

Petition under Section 528 of BNSS, praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to grant interim stay of all further proceedings including the appearance of the petitioner in PMLA-SC No. 264 of 2022, on the file of the Court of the Metropolitan Sessions Judge-Cum-Special Court under the Prevention of Money Laundering Act (PMLA), 2002 at Nampally, Hyderabad, Telangana.

CRIMINAL PETITION NO: 2607 OF 2025

Between:

Manoj Baser @ Manoj Kumar Baser, S/o. Sh. Moolchand Baser, Aged about 52 years, Occ: Chartered Accountant, R/o. 802, Pacific-C, Lodha Aqua, Opp. Thakur Mall, Western Express Highway, Mira Road, Thane-401 107, Maharashtra State.

...PETITIONER/ACCUSED No.9

AND

The Directorate of Enforcement, represented by its Deputy Director, Government of India, Hyderabad, Hyderabad Zonal Office, 3rd Floor, Shakar Bhavan, Basheerbagh, Hyderabad-500 054 through its Special Public Prosecutor, High Court for the State of Telangana, High Courts Buildings, Hyderabad.

...RESPONDENT/DEFACTO COMPLAINANT

Petition under Section 528 of BNSS, praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to quash the proceedings in PMLA-SC. No. 264 of 2022 on the file of the Court of the Metropolitan Sessions Judge-Cum-Special Court under the prevention of money laundering Act (PMLA), 2002 at Nampally, Hyderabad, Telangana.

I.A. NO: 2 OF 2025

Petition under Section 528 of BNSS, praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to grant interim stay of all further proceedings including the appearance of the petitioner in PMLA-SC No. 264 of 2022, on the file of the Court of the Metropolitan Sessions Judge-Cum-Special Court under the Prevention of Money Laundering Act (PMLA), 2002 at Nampally, Hyderabad, Telangana, pending disposal of the above

This Petition coming on for hearing, upon perusing the Memorandum of Grounds of Criminal Petition and upon hearing the arguments of Sri T Srikanth Reddy, representing Sri V. Vijaya Rama Raj, Advocate for the Petitioner and of Sri Anil Prasad Tiwari, Standing Counsel for ED, for the Respondent.

The Court made the following: COMMON ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THE HON'BLE SRI JUSTICE E.V.VENUGOPAL

CRIMINAL PETITION Nos.2605 of 2025 & 2607 of 2025

Dated : 09 .01.2026

Criminal Petition No.2605 of 2025 :

Between :

Om Prakash Sharma.

... Petitioner/Accused No.16.

And

The Directorate of Enforcement represented
by its Deputy Director, Government of India,
Hyderabad, Hyderabad Zonal Office, 3rd floor,
Shakar Bhavan, Basheerbagh, Hyderabad – 500 054,
through its Special Public Prosecutor,
High Court for the State of Telangana,
High Court Buildings, Hyderabad.

... Respondent.

Criminal Petition No.2607 of 2025 :

Between :

Manoj Baser @ Manoj Kumar Baser.

... Petitioner/Accused No.9.

And

The Directorate of Enforcement represented
by its Deputy Director, Government of India,
Hyderabad, Hyderabad Zonal Office, 3rd floor,
Shakar Bhavan, Basheerbagh, Hyderabad – 500 054,
through its Special Public Prosecutor,
High Court for the State of Telangana,
High Court Buildings, Hyderabad.

... Respondent.

COMMON ORDER :

Criminal Petition No.2605 of 2025 is filed by the petitioner/accused No.16 and Criminal Petition No.2607 of 2025 is filed by the petitioner/accused No.9 seeking to quash the proceedings in PMLA SC No.264 of 2022 on the file of the learned Metropolitan Sessions Judge-cum-Special Court under the Prevention of Money Laundering Act (PMLA), 2002 (hereinafter referred to as "trial Court") against them.

2. Heard Sri T.Srikanth Reddy, learned counsel representing Sri V.Vijaya Rama Raj, learned counsel for the petitioners in both the matters and Sri Anil Prasad Tiwari, learned Standing Counsel for the respondent/Enforcement Directorate.

3. The brief facts of the case of the prosecution are as follows :

(a) On the basis of 3 FIRs/complaints lodged by State Bank of India and erstwhile Corporation Bank (now Union Bank of India), it is alleged that PCH Group companies through their Directors Shri Balvinder Singh and Smt.Baljit Kaur, in criminal conspiracy with others obtained bank loans and cheated the bank by siphoning of the loan amounts. The accounts of the Directors were reported as fraud and they have inflated value of the stocks while submitting the stock statements. The Directors also availed various credit facilities by submitting false statements, they conspired with the other accused and diverted the credit to various fictitious companies which were floated by them and co-conspirators. Thus, there was alleged to be a loss of Rs.19.77 Crore to the bank. The Director Sri Balvinder Singh also tried to create a fabricated evidence that the name reflected in RBI defaulters' list was not him, which was verified to be wrong. The accused diverted and siphoned off the loan funds through shell and fictitious companies, rotated the funds through multiple bank accounts and utilised the same for personal enrichment, thereby causing wrongful loss to banks.

(b) CBI has registered and investigated the scheduled offences and has filed charge-sheet on 03.05.2017 vide CC No.5231 of 2017 pertaining to FIR No.RC 10/E/2014-CBI-EOW dated 13.11.2014 registered by CBI, EOW, Chennai for the offences under Section 120-B read with Section 420 and 468 of IPC and Section 13 (2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 which are scheduled offences under the PMLA. Investigation pertaining to FIR No.RC 1/E/2019-CBI/BS&FC/BLR dated 11.03.2019 and FIR No.RC 10(E) 2017/CBI/EOW/Chennai dated 15.12.2017 are pending and the chargesheets are yet to be filed. Complaint dated 24.07.2019 lodged by SBI, Stressed Assets Management with the CBI, BS and FC Bengaluru and another complaint dated 19.06.2020 lodged by Union Bank of India with CBI, EOW, New Delhi are pending investigation. On the basis of FIR No.RC 10/E/2014-CBI-EOW dated 13.11.2014 registered by CBI, EOW, Chennai, the Enforcement Directorate recorded ECIR No.ECIR/HYZO/08/2015 dated 13.08.2015 and initiated investigation under the PMLA.

(c) Various FIRs registered by predicate agencies after recording of the ECIR were merged in this file as most of the main accused and modus operandi of fraud and the ultimate beneficiaries of the proceeds of crime in these FIRs were same.

(d) The investigation revealed that PCH Group companies availed multiple loans from various banks on the basis of false and fabricated documents, which subsequently turned into NPAs. Enquiries with banks established total outstanding dues of Rs.747.59 crore, which was equal to the cumulative NPA resulting out of the fraud allegedly perpetrated by the accused persons. The said amount of Rs.747.59 Crore comprised of Rs.285.32 crore as principal amount and Rs.462.27 crore as interest outstanding, which constitute "proceeds of crime" under the PMLA.

(e) During investigation, substantial evidence including bank records, loan documents and statements recorded under Section 50 of the PMLA were collected, establishing diversion, layering and rotation of loan funds through shell companies having no genuine business activity. The tainted funds were routed back to group companies to inflate turnover and share capital and were also credited into the personal accounts of the Directors. Shri Balvinder Singh received Rs.71.64 crore and Smt.Baljit Kaur received Rs.11.42 crore through such shell companies, falsely projected as unsecured loans.

(f) The investigation further revealed that diverted loan funds were used for acquisition of immovable properties in the personal names of Shri Balvinder Singh and Smt. Baljit Kaur and the same was offered as collateral security for the purpose of renewal of credit facilities from Andhra Bank. Several properties were identified as proceeds of crime within the meaning of Section 2(1)(u) of the PMLA or properties of equivalent value, leading to issuance of a Provisional Attachment Order No.10 of 2022, dated 06.04.2022 where by 11 properties worth Rs.6,18,51,000/- were attached under Section 5(1) of the PMLA. It is settled law that the PMLA is a standalone enactment and the offence of money laundering is independent of the outcome of the scheduled offence.

(g) The material on record clearly establishes that the accused knowingly indulged in and assisted the process of money laundering involving proceeds of crime amounting to a huge amount of Rs.747.59 crore altogether including principal outstanding, interest outstanding. A substantial portion of the proceeds of crime remains untraced and further investigation is continuing.

4. In the above charge-sheet, it is specifically alleged that Manoj Baser (A-9), a Chartered Accountant and Om Prakash Sharma (A-16) knowingly participated in laundering the proceeds of crime on instructions from Balvinder Singh (A-6). Manoj Baser was approached to assist in carrying out fund rotation transactions and played an active role by introducing Shri Rajendra Bhimrajka (A-10), earning a commission of Rs.5 lakh, which he shared equally with Om Prakash Sharma. Om Prakash Sharma acted as a key intermediary, transmitting instructions from Balvinder Singh to Rajendra Bhimrajka (A-10) and earning a similar commission. Both knowingly assisted and were parties to the layering of proceeds of crime and facilitated their integration as untainted property

in the accounts of the accused companies and in the hands of their Directors. They willfully involved themselves in these transactions for personal gain and are therefore liable for the offence of money laundering under Section 3 of the Prevention of Money Laundering Act, 2002, punishable under Section 4 of the Act.

5. Basing on the investigation, the prosecution laid charge-sheet *vide* PMLA SC No.264 of 2022 before the trial Court and the said Court took cognizance of the offences with which the accused are charge-sheeted and proceeded further. During such course, the petitioners herein, who are arrayed as accused Nos.9 and 16 filed the present criminal petitions seeking their discharge.

6. Learned counsel for the petitioners/accused Nos.9 and 16 submits that the allegations made against the petitioners in the charge sheet are false, concocted and wholly without basis. Accused No.9, a Chartered Accountant and Accused No.16, a businessman, have been implicated merely on conjectures and surmises, without any specific allegation of their direct involvement in the commission of the offence of money laundering or any financial gain derived from the alleged transactions. The charge sheet speculates that Accused No.9 may have aided in increasing the turnover and share capital of the PCH Group

companies and that Accused No.16 may have facilitated routing of loans through benami accounts, but no evidence has been produced to substantiate these claims. Even assuming, without conceding, that they had some involvement, the respondent has failed to implicate the respective bank Branch Managers, who were responsible for verifying the genuineness of documents and accounts before sanctioning the loans. The charges rely solely on statements of individuals and conjecture, without demonstrating any active role or benefit to the petitioners. Both the petitioners have been subjected to physical and mental hardship and their professional and business reputations are at stake. For all these reasons, the charge sheet insofar as it relates to Accused Nos. 9 and 16 is liable to be quashed.

(a) The learned counsel for the petitioners, to substantiate their case, relied upon the decisions rendered by the Hon'ble Supreme Court in **Satish Mehra Vs. State (NCT of Delhi) and another**[1] and the Madras High Court in **Murali Krishna Chakrala Vs. the Deputy Director, Directorate of Enforcement (PMLA) Ministry of Finance, Department of Revenue**[2]**.** The learned counsel contended that

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[1] (2012) 13 Supreme Court Cases 614
[2] 2022 I LW (3846)

criminal proceedings cannot be allowed to continue on mere conjecture, surmises, or uncorroborated allegations and that the specific, direct involvement of the accused must be demonstrated. Since the petitioners are implicated solely on conjecture and surmise, without any evidence of direct involvement, financial gain, or knowing participation in laundering proceeds of crime, they are entitled to be discharged from the present criminal proceedings. Mere professional association or facilitation, in the absence of specific material establishing culpability, cannot sustain proceedings under the PMLA. Accordingly, the charge sheet against the petitioners deserves to be quashed.

7. On the other hand, learned standing counsel for the respondents, opposed the present criminal petitions, reiterating the counter averments, submitted that the present criminal petitions seeking to quash the proceedings in PMLA SC No.264 of 2022 are wholly misconceived, meritless and are an attempt to preemptively derail the trial.

(a) The Directorate of Enforcement is the sole statutory authority empowered to investigate offences under the Prevention of Money Laundering Act, 2002 and the Foreign Exchange Management Act, 1999. The petitioners/accused Nos.9 and 16, cannot escape scrutiny by resorting to speculative and conjectural averments. Investigation has revealed that Accused No.9, a Chartered Accountant, and Accused No. 16, a businessman knowingly assisted in the layering and integration of proceeds of crime originating from the PCH group companies. They facilitated the rotation of funds through shell entities, enabling the diversion of bank loans for personal and corporate benefit of the main accused. Both the petitioners received commission for their participation and the same is corroborated by statements recorded under Section 50 of the PMLA. The supporting documentary evidence, including bank records and SMS communications constitute their active participation in money laundering under Sections 3 and 4 of the PMLA.

(b) The learned standing counsel for the respondent, in support of their contentions, placed reliance in **Anil Bhavarlal Jain and another Vs. The State of Mahrashtra and others**[3] and **Pradeep Niarankarnath Sharma Vs. Directorate of Enforcement and another**[4]. He contended that quashing a charge sheet against the accused for offences under the PMLA, at the threshold is unwarranted. Mere assertions of lack of direct involvement or absence of financial gain

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[3] 2024 SCC OnLine SC 3823
[4] 2025 SCC OnLine SC 560

do not warrant quashing, as the investigating agency is competent to gather evidence and the petitioners' participation in the layering or integration of proceeds of crime, even indirectly, constitutes sufficient grounds for prosecution.

(c) He further contended that the contentions regarding non-implication of bank officials are irrelevant. The accused themselves misused the banking system and orchestrated the diversion of funds. Money laundering is a grave, systemic economic offence, recognized by the Supreme Court as an aggravated crime demanding stringent deterrent measures as held in **Vijay Madanlal Choudhary and others Vs.Union of India**[5] and **P.Chidambaram Vs. Directorate of Enforcement**[6] as well as **Sushila Agarwal Vs. State of NCT of Delhi**[7]. Under Section 24 of the PMLA, the proceeds involved are presumed to be proceeds of crime until contrary is proved, shifting the burden squarely onto the petitioners. Cognizance of the case by the trial Court, confirms the existence of a prima facie case and the petitioners cannot seek pretrial quashing merely on the basis of conjecture. In view

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[5] 2022 SCC OnLine SC 929
[6] AIR 2019 Supreme Court 4198
[7] AIR 2020 SC 831

of the above, the petition is liable to be dismissed at the threshold in the interest of justice.

8. Basing on the rival contentions and upon perusal of the material on record, it is evident from the statements of accused that the transactions between the PCH group companies and other entities were not genuine business dealings and, as alleged, were primarily executed by Rajendra Bhimrajka for the purpose of fund rotation, though this allegation requires corroborative evidence to be adduced during trial.

(a) Upon a perusal of the material on record, it emerges that accused No.16/Om Prakash Sharma, has only been referred to in the later statements of the other accused namely in the statements of Rajendra Bhimrajka dated 06.12.2021, 02.02.2022 and 03.02.2022 wherein he stated that the 40 accounts that were used for rotation of funds were all done upon instructions of Om Prakash Sharma, the statement of Manoj Baser dated 17.01.2022 wherein he stated that Balvinder Singh has informed him that he approached Om Prakash Sharma, who in turn contacted Rajender Bhimrajka to carry out the transaction relating to the rotation of funds and his own statement recorded on 17.01.2022. Rajendra Bhimrajka has stated that he had made all the transactions on the instructions of Om Prakash Sharma, who in turn was given this work by Manoj Baser.

(b) As regards accused No.9, Manoj Baser, his name figures in the statements of Rajendra Bhimrajka dated 06.12.2021, 02.02.2022 and 03.02.2022, the statements of Balvinder Singh recorded in the year 2022, as well as in his own statement dated 17.01.2022. Rajendra Bhimrajka has stated that Manoj Baser acted as an intermediary to the work of providing bank accounts.

(c) The material on record, including the statements referred to hereinabove, unequivocally indicate that neither Accused No.9 nor Accused No.16 directly executed the impugned transactions, operated or controlled any bank accounts, received any share certificates, or derived any personal financial benefit from the alleged proceeds of crime. At best, the record suggests that the petitioners acted merely as agents in facilitating the opening of bank accounts for the principal accused, for which they allegedly received only a meagre commission, which by no stretch of imagination can be construed as "proceeds of crime". Even assuming the contention of the respondents that the petitioners were involved in the alleged activities, it is wholly inconceivable that they would have received only a nominal commission, particularly when the respondents themselves allege that the proceeds of crime are to the tune of Rs.747.59 crore. These circumstances clearly demonstrate that the petitioners neither actively participated in the commission of the alleged offence nor had any role in the generation or enjoyment of the alleged proceeds of crime. They were only mere agents, who worked for commission. In such circumstances, this Court is not persuaded by the submissions advanced on behalf of the respondent/ED.

(d) Under Sections 3 and 4 of the PMLA, criminal liability can arise only upon proof of knowing participation, control, possession, projection or actual enjoyment of proceeds of crime. Mere facilitation, professional association, or intermediary coordination, absent cogent material demonstrating culpable intent and direct involvement, does not satisfy the statutory ingredients of the offence.

(e) The Hon'ble Supreme Court, in **Satish Mehra Vs. State (NCT of Delhi) (supra)** held as under :

> "A Criminal trial cannot be allowed to assume the character of a fishing and roving enquiry. It would not be permissible in law to permit a prosecution to linger, limp and continue on the basis of a mere hope and expectation that in

the trial some material may be found to implicate the accused."

(f) Further, the Madras High Court in **Murali Krishna Chakrala (2nd supra)** basing on the recitals of Form 15CB holding that a chartered accountant is required only to examine the nature of the remittance and nothing more and he is not required to go into the genuineness or otherwise of the documents submitted by his clients, which could be compared with the legal opinion that are normally given by panel lawyers of banks, after scrutinizing title documents without going into their genuinity and that a panel advocate, who has no means to go into the genuinity of title deeds and who gives an opinion based on such title deeds, cannot be prosecuted along with the principal offender acquitted the accused therein. The said finding was confirmed by the Hon'ble Supreme Court in **Deputy Director Vs. Murali Krishna Chakrala**[8]. The offences alleged in the above decision are grave in nature where the petitioner/accused No.6 in the said case participated in enquiry on 11.01.2022 in response to the summons under PMLA, 2002 wherein the said Murali Krishna Chakrala/A6 stated that he issued five Form 15CB Certificates. Wherein, in the instant case the petitioners were arrayed as accused Nos.9 and 16 only basing on the statements given by

[8] 2024 SCC OnLine SC 878

the other accused (accused Nos.6 and 10) and as well as the statements recorded under Section 50 PMLA, 2002 of the petitioners,without there being any corroborating evidence. In that view of the matter, this Court is of the considered view that when the above factual scenario is applied to the case of Manoj Baser (A-9), he being the chartered accountant, has acted according to his professional obligations bestowed upon him and hence, he cannot be held liable.

(g) Tested on the settled principles, the statements relied upon by the prosecution disclose, at best, circumstantial or facilitative connections qua accused Nos.9 and 16, without any evidence of direct execution of transactions, falsification of records, or derivation of personal financial gain. Further, the respondent/ED failed to convince this Court to prove or establish the essential element of intent, which is essential in PMLA cases, to establish that the petitioners are beneficiaries of the proceeds of crime.

(h) A holistic consideration of the record further reveals that the allegations against Manoj Baser and Om Prakash Sharma rest exclusively on uncorroborated statements of co-accused recorded under Section 50 of the PMLA, without any independent documentary, or electronic evidence establishing a prior meeting of minds, control over funds, ownership or operation of accounts, or enjoyment of proceeds of crime. Neither of them is shown to have participated in the predicate offence, nor is any act attributed to them that fulfils the essential ingredients of criminal conspiracy or money laundering, namely possession, concealment, projection, or use of "proceeds of crime". The alleged roles, even if taken at their highest, remain peripheral and facilitative, unsupported by money trail, recovery, attachment, or proof of *mens rea*.

(i) The Supreme Court has consistently emphasized that offences under the Prevention of Money Laundering Act, 2002 (PMLA) are inherently "parasitic", in that they cannot stand independently without concrete involvement of the accused in the underlying financial transactions. The Court has observed that an accused cannot be subjected to the rigours and tribulations of a criminal trial under PMLA without material evidence establishing direct participation, control, or benefit from the alleged transactions. Proceeding mechanically in the absence of such material would amount to undue harassment, oppression and an abuse of the process of law. The statutory framework thus contemplates careful scrutiny of the evidence before initiating or continuing proceedings, ensuring that only those with demonstrable culpability are made to face trial, while protecting others from unnecessary litigation and its attendant hardships.

(j) It is therefore safe to conclude that the petitioners have been implicated in the present proceedings without the support of any direct or corroborative evidence establishing their complicity. Mere suspicion, inference, or omnibus allegations cannot form the basis of criminal prosecution. In **State of Haryana Vs. Bhajan Lal**[9], the Hon'ble Supreme Court had laid down the illustrative categories of cases where inherent powers of the High Court can be exercised to prevent the abuse of process of the Court or to secure the ends of justice. Out of which, category No.3 is deemed to be relevant and applicable to the case of the petitioners, which is extracted hereunder :

> "(3) Where the uncontroverted allegations made in the FIR or complaint and the evidence collected in support of the same do not disclose the commission of any offence and make out a case against the accused."

(k) When the facts and circumstances of the case on hand are tested on the touchstone of the above proposition of law laid down by the Hon'ble Supreme Court, the same squarely applies to the case of the petitioners entitling them for discharge from the present criminal

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[9] 1992 Supp. (1) SCC 335

prosecution as basing on the uncorroborated statements of co-accused recorded under Section 50 of the PMLA, without any independent documentary, or electronic evidence establishing a prior meeting of minds, control over funds, ownership or operation of accounts, or enjoyment of proceeds of crime the petitioners are arrayed as accused.

(I) No piece of evidence has been collected by the prosecution insofar as introduction of the main accused viz. accused Nos.6 and 7 to open the fictitious accounts in the bank. Furthermore, the prosecution also did not procure any material to elicit that the petitioners are neither the introducers of the main accused in opening the bank accounts nor they have signed in any of those documents for such introduction. None of the bank officials have been examined and their statements were not recorded. It is in that view of the matter, without there being any iota of evidence, purely relying upon the statements of the petitioners, who deposed against each other, recorded under Section 50 of PMLA, subjecting the petitioners for criminal prosecution is unsustainable in law.

The Hon'ble Supreme Court, in **Vijay Madanlal Choudhary** (3rd supra) held as under :

> "The process envisaged by Section 50 PMLA is in the nature of an inquiry against the proceeds of crime and is not

"investigation" in strict sense of terms for initiating prosecution and the authorities under PMLA (referred to in Section 48) are not police officers as such."

(m) The law is well settled that the confession of a co-accused under Section 50 of PMLA is not a substantive piece of evidence without there being any corroboration. The same cannot form basis to implicate or rope-in others as accused in a criminal prosecution. Further, there is no evidence to show that the petitioners neither have participated in the predicate offence, nor is any act attributed to them that fulfils the essential ingredients of criminal conspiracy or money laundering, namely possession, concealment, projection, or use of proceeds of crime. In that view of the matter, this Court cannot convince with the submissions made on behalf of the respondent/ED.

(n) In the absence of any specific, credible or corroborative material linking accused Nos.9 and 16 to the proceeds of crime or the commission of the offence under the PMLA, continuation of proceedings against them would be legally unsustainable, oppressive and an abuse of the process of law. Accordingly, the charge-sheet insofar as it relates to accused Nos.9 and 16 deserves to be quashed and they are entitled to be discharged of all allegations under the Prevention of Money

Laundering Act, 2002. In that view, the criminal proceedings against the petitioners are liable to be quashed.

9. In the result, the Criminal Petition Nos.2605 and 2607 of 2025 are allowed quashing the proceedings against the petitioners/ accused Nos.9 and 16 in PMLA SC No.264 of 2022 on the file of the learned Metropolitan Sessions Judge-cum-Special Court under the Prevention of Money Laundering (PMLA) Act, 2002, Hyderabad.

10. Miscellaneous applications, if any pending, shall stand closed.

SD/- MOHD.ISMAIL
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

One Fair Copy to the Hon'ble Sri Justice E.V.VENUGOPAL
(For His Lordship's kind Perusal)

To

1. The Metropolitan Sessions Judge-cum-Special Court under the Prevention of Money Laundering Act (PMLA), 2002 at Nampally, Hyderabad, Telangana.
2. Two CCs to the Public Prosecutor, High court for the state of Telangana, at Hyderabad [OUT]
3. 11 LR Copies
4. The Under Secretary, Union of India Ministry of Law, Justice and Company Affairs, New Delhi
5. The Secretary, Telangana Advocates Association Library, High Court for the State of Telangana, High Court Buildings at Hyderabad.
6. One CC to SRI. T Srikanth Reddy, Advocate [OPUC]
7. One CC to SRI. Anil Prasad Tiwari, Standing Counsel for ED [OPUC]
8. Two CD Copies

Pr/PSL

HIGH COURT

DATED:09/01/2026

COMMON ORDER

CRLP.No.2605 OF 2025
& 2607 OF 2025

ALLOWING THESE CRL.PETITIONS

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21/2/26