IN THE HIGH COURT OF JUDICATURE FOR THE STATE OF TELANGANA
HON'BLE SRI JUSTICE NAGESH BHEEMAPAKA

WRIT PETITION No. 12795 OF 2026

23.06.2026

Between:

Kiran G.S.

..... Petitioner

And

Union of India,
Rep. by its Principal Secretary,
Ministry of Finance,
Department of Revenue & others

..... Respondents

O R D E R:

The case of petitioner is that pursuant to Summons bearing No. PMLA/SUMMON/HYZO/2026/5687 under File No. HYZO/34/2025 requiring him to appear before the Enforcement Directorate, Hyderabad Zonal Office for giving evidence and producing records under Section 50(2) and 50(3) of the Prevention of Money-Laundering Act, 2002 (for short, 'the Act'), he could not appear on 07-03-2026, hence, he was directed to appear on 25-03-2026, but he could not attend due to ill-health, he was thereafter, directed to appear on 20-04-2026, on which date, he is stated to have appeared before Respondents 3 and 4, accompanied by his friend, Mr. Chandra Mohan. M, as he neither understands nor speaks Telugu, however, his friend was asked to remain outside.

1.1. Petitioner alleges that after being taken into the chamber, one subordinate officer closed the door while two others restrained him by holding his hands behind the chair. Respondents 3 and 4 allegedly shouted at him in Hindi, slapped him approximately six to eight times and subjected him to third degree treatment compelling him to admit guilt in relation to offences under the 2002 Act. It is stated, his cries for help were heard by Mr. Chandra Mohan. M, who immediately contacted their counsel, who rushed to the office premises to ascertain his welfare. Petitioner alleges that Respondent No.5, a private security guard, informed the 3rd Respondent about the arrival of their counsel, but they were forcibly removed from the premises and prevented from communicating with petitioner, thereby isolating him from legal assistance. Petitioner contends that the aforesaid actions of Respondents 3 to 5 are illegal, arbitrary and violative of Articles 21 and 22(1) of the Constitution and the principles governing the rights of persons summoned by investigating agencies.

1.2. Petitioner asserts that any statement, signature or confession allegedly obtained from him on 20-04-2026 was obtained through coercion, violence and duress and therefore, lacks evidentiary value. He underwent medical examination at Gandhi Hospital, Secunderabad, Telangana and filed medical reports, MLC records, clinical photographs, travel itinerary and official *e* mail communications exchanged with Respondent No.3. According to petitioner, medical records disclose multiple contusions on face, facial swelling, head injury and bleeding from left ear, supporting his allegations of physical assault. Immediate preservation and production of CCTV footage of Hyderabad Zonal Office premises for 20-04-2026 is necessary to establish the alleged assault upon him and the forcible removal of his counsel and friend from the premises. Reliance is placed, in this regard, upon the judgment of the Hon'ble Supreme Court in ***Paramvir Singh Saini v. Baljit Singh.***

2. In the counter, the 3rd respondent - Assistant Director of the Directorate of Enforcement, Hyderabad, stated that five FIRs, namely FIR No.393 of 2025 dated 19.03.2025, FIR No.34 of 2025 dated 21.02.2025, FIR No.9350 of 2024 dated 11.12.2024, FIR No.36 of 2025 dated 05.03.2025 and FIR No.208 of 2025 dated 17.03.2025, were registered under Sections 318(4), 111(2), 112, 49, 46 and 61(2) of the Bharatiya Nyaya Sanhita, 2023, Sections 3 and 4 of APGA & TSGA and Sections 66-C and 66-D of the Information Technology Act, 2000 against various celebrities, social media influencers and betting

applications for allegedly cheating the public by inducing them to invest money in *on line* betting and gaming applications and websites on the promise of huge returns.

2.1. It is stated that since Section 420 IPC, 1860 corresponding to Section 318(4) of BNS, 2023 and Section 120-B IPC, 1860 corresponding to Section 61(2) of BNS, 2023 are scheduled offences under the Prevention of Money-Laundering Act, 2002, the Directorate of Enforcement registered ECIR No. ECIR/HYZO/34/2025 dated 27.06.2025 and initiated investigation under the said Act. During investigation, summons dated 05.03.2026 were issued to petitioner, under Sections 50(2) and 50(3) of the 2002 Act requiring his personal appearance for giving evidence and producing records. According to respondents, despite service of summons, petitioner failed to appear on 07.03.2026 and he appeared only on 20.04.2026, thereby initially failing to comply with lawful directions.

2.2. It is stated, when petitioner appeared on 20.04.2026, he requested that one Chandra Mohan be permitted to accompany him on the ground of language difficulty, however, as the said person was not conversant with the language of the proceedings, he was requested to remain at the reception area. His statement was thereafter, recorded in Kannada, a language known to him, in a lawful, transparent and fair manner with adequate breaks and procedural safeguards. During the proceedings, certain persons claiming to be advocates arrived at the reception area and created an unnecessary disturbance by raising baseless allegations. Petitioner himself categorically stated that he had neither engaged any counsel nor had any acquaintance with such persons, thereby demonstrating that their conduct was unrelated to the investigation proceedings.

2.3. It is stated, the persons claiming to be advocates misbehaved with the security personnel posted at the reception of the Directorate of Enforcement. The entire incident was captured in CCTV footage installed at the reception, which allegedly shows that the said persons came with a pre-planned intention to obstruct and derail the investigation, engaged in heated arguments with security personnel and threatened them with legal consequences, including litigation. It is alleged, petitioner acted in connivance with Chandra Mohan, Mandeep Pamaar and P.N. Dhayakar and that their collective conduct was intended to interfere with and obstruct the ongoing investigation.

2.4. It is stated that an Incident Report dated 20.04.2026 recording the events at the reception was prepared and submitted to the supervisory authority on the same day.

Petitioner deliberately suppressed these facts in the writ petition and projected a false story of physical assault in order to mislead the Court and obstruct the investigation. According to respondents, the CCTV footage and official records demonstrate that disturbance was created at the reception and not by any act of the investigating officers. In his voluntary statement recorded under Section 50, petitioner admitted his involvement in providing accommodation entries through his bank accounts without any genuine business activity in return for commission ranging from 1 to 2%. According to respondents, petitioner admitted receiving funds from multiple persons and transferring the same to various accounts in a layered manner, thereby facilitating concealment and projection of proceeds of crime as untainted money.

2.5. It is further stated that petitioner disclosed his association with other persons engaged in similar activities and admitted handling substantial cash deposits and bank transactions which lacked any legitimate business purpose. The investigation allegedly revealed that such accommodation entry operations formed part of a wider mechanism for laundering proceeds of crime, including proceeds generated from illegal *on line* betting activities, by routing funds through multiple bank accounts to conceal their unlawful origin. It is stated, the material collected during investigation establishes petitioner's active involvement in layering and integration of proceeds of crime and that his statement constitutes an important piece of evidence in ECIR No. ECIR/HYZO/34/2025. According to respondents, the present Writ Petition has been filed only as a belated and *mala fide* attempt to retract his voluntary admissions and obstruct the lawful course of investigation.

2.6. Respondents specifically deny the allegation of physical assault and rely upon CCTV footage of the office premises which allegedly shows petitioner leaving the Directorate of Enforcement office at about 8:00 p.m. on 20.04.2026 without any visible injury or mark on his face. The footage near the security desk clearly captures his face while he looked at the clock and entered the time in the register, and no injury is visible on either cheek. After signing the register, petitioner was captured on CCTV leaving the office situated on the third floor through the staircase while carrying a mobile phone. Respondents therefore, contend that photographs relied upon by petitioner are false, fabricated, suspicious and possibly self-inflicted solely for the purpose of avoiding investigation and making false allegations against the officers of the Directorate of Enforcement.

3. Petitioner filed reply stating that Respondents approached this Court with unclean hands and violated the order dated 22.04.2026, whereby the Hon'ble Court directed the learned Standing Counsel for the Enforcement Directorate (ED) to file a counter affidavit along with relevant CCTV footage and all relevant documents, but they failed to comply with the said direction. Instead of producing the complete CCTV footage, Respondents selectively filed only still photographs depicting the reception area, corridor and Petitioner leaving the premises at about 8:00 PM on 20.04.2026. It is alleged that such selective production amounts to suppression of material evidence.

3.1. It is stated, Respondents deliberately failed to produce the uninterrupted audio-video footage of the interrogation cabin/chamber where the Petitioner was allegedly confined with Respondent No.4 Prateek Singh and his subordinates on 20.04.2026. Respondents themselves admitted in the Incident Report dated 20.04.2026 that the proceedings were videographed through a camera installed in the cabin and non-production of the said footage warrants drawing of an adverse inference against Respondents and they must be directed to produce the complete and continuous footage from inside the cabin. The Petitioner further submits that the CCTV still photograph relied upon by the Respondents, bearing timestamp "2026-04-20 20:02:10", is suspicious, manipulated, and misleading. It is alleged that the Respondents deliberately relied upon a distant and low-resolution image showing only the Petitioner's exit while suppressing the crucial footage from the interrogation cabin during the period when the alleged assault occurred. According to the Petitioner, the selective production of an exit image is intended to conceal the alleged misconduct of the investigating officers.

3.2. The reliance placed by Respondents on the judgment in ***Poolpandi vs. Superintendent, Central Excise*** is stated to be misplaced. According to Petitioner, the issue in the present case is not merely the presence of a lawyer during questioning but the complete denial of access to legal assistance while allegedly being subjected to physical torture. It is asserted that the Enforcement Directorate remains bound by Article 21 of the Constitution of India.

3.3. Petitioner states that though proceedings under Section 50 of the Act are deemed judicial proceedings, any statement recorded thereunder must be voluntary. It is contended that statements attributed to him were allegedly obtained through coercion, undue influence, physical assault, and third-degree methods and therefore stand vitiated and inadmissible and violation of procedural safeguards under the 2002 Act. It is also contended that Section 57 of the Act prescribes a specific procedure for collection of evidence involving a Contracting State, requiring satisfaction of the Special Court under Section 57(1), and any evidence collected without following the said procedure cannot be treated as valid evidence under Section 57(3).

3.4. Petitioner further relies upon subsequent medical evidence and submits that after returning to Bangalore, he suffered severe headaches (acute cephalalgia), blurred vision, and hearing-related complications. He underwent consultation at Sri Balaji Speech and Hearing Clinic and diagnostic examinations including an Audiogram and X-ray studies. According to the medical findings, there exists a significant disparity in hearing thresholds and he was diagnosed with Bilateral Minimal Hearing Loss. It is asserted, the said condition is directly attributable to the custodial torture and third-degree treatment allegedly inflicted by Respondents. The relevant medical reports, diagnostic charts and prescriptions are stated to have been filed along with the Reply Affidavit.

4. Heard Sri P.N. Dayakar, learned counsel for petitioner as well as Sri D. Narender Naik, learned Standing Counsel for Enforcement Directorate.

5. At the outset, it is to be seen, summons dated 05.03.2026 were issued under Sections 50(2) and 50(3) of the Prevention of Money-Laundering Act, 2002 in connection with ECIR No. ECIR/HYZO/34/2025. It is equally undisputed that petitioner did not appear on 07.03.2026 and eventually appeared only on 20.04.2026. Respondents have therefore, established that petitioner was a person summoned in the course of a lawful investigation into scheduled offences and alleged laundering of proceeds of crime.

6. The entire Writ Petition is founded upon allegations of physical assault, coercion and extraction of confession. However, apart from petitioner's own assertions and the medical documents subsequently relied upon, there is no independent contemporaneous material placed before the Court conclusively connecting the alleged injuries to the proceedings conducted on 20.04.2026. Respondents have categorically denied every allegation and placed reliance upon CCTV material,

contemporaneous records and the Incident Report dated 20.04.2026. Significantly, respondents have consistently maintained that petitioner never complained of assault during the proceedings, never sought medical aid at the premises and never lodged any immediate complaint before any police authority alleging custodial violence. Though absence of a police complaint is not, by itself, conclusive, it remains a relevant circumstance while examining allegations of the nature made in the present case.

7. Respondents in their counter, have categorically stated that CCTV footage clearly shows petitioner leaving the ED premises at 08.00 p.m. without any injury or mark on his face as is visible from the CCTV footage near the security desk; footage also shows petitioner looking up at the clock to write the time in the register and the camera clearly captures the image of petitioner's face without any injury on both his cheeks. After signing the register, the recording also shows that petitioner is leaving the Enforcement Directorate's office on the 3rd floor by using the staircase with a phone in his hand. Therefore, the image / photographs which is filed in the Writ Petition is absolutely false, fabricated. Respondents have also produced USB containing CCTV footage at the subject time in support of their case.

8. In the light of the same, this Court is not inclined to grant the relief prayed by petitioner and the Writ Petition is liable to be dismissed.

9. The Writ Petition is accordingly, dismissed. No costs.

10. Consequently, the miscellaneous Applications, if any shall stand closed.

NAGESH BHEEMAPAKA, J

23rd June 2026

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