HC-KAR

NC: 2026:KHC:39874
WP No. 24980 of 2019
C/W WP No. 56732 of 2018

CNR: KAHC010165212019

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 29TH DAY OF JULY, 2026

BEFORE

THE HON'BLE MR. JUSTICE R. NATARAJ

WRIT PETITION NO. 24980 OF 2019 (GM-RES)
C/W
WRIT PETITION NO. 56732 OF 2018 (GM-RES)

IN WP No. 24980/2019

BETWEEN:

SHRI VIJAY TATA
SON OF R.S. MURTHY
AGED ABOUT 53 YEARS
RESIDING AT NO.479, HMT LAYOUT
NEAR R.T. NAGAR BUS DEPOT,
R.T. NAGAR,
BENGALURU - 560032

...PETITIONER

(BY SRI. ASHWIN VAISH, ADVOCATE FOR
SRI. GAUTAM S. BHARADWAJ, ADVOCATE)

AND:

1. DIRECTORATE OF ENFORCEMENT
   BANGALORE ZONAL OFFICE
   3RD FLOOR, BLOCK B
   BMTC BUILDING, SHANTINAGAR
   K.H. ROAD, BENGALURU - 27

2. STATE OF KARNATAKA
   REPRESENTED BY THE CENTRAL CRIME BRANCH
   (FRAUD AND MISAPPROPRIATION SQUAD),
   D.J. HALLI POLICE STATION
   CHAMARAJPET,
   BENGALURU - 560045

...RESPONDENTS

(BY SRI. MADHUKAR DESHPANDE ALONGWITH SRI. RISHAB TRAKROO, ADVOCATES FOR RESPONDENT NO.1;

SRI. MOHD. AYUB ALI, ADDITIONAL STATE PUBLIC PROSECUTOR FOR RESPONDENT NO.2)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA READ WITH SECTION 482 OF THE CODE OF CRIMINAL PROCEDURE, 1973 PRAYING TO QUASH THE SUMMONS DATED 06.05.2019 AND 10.06.2019 MARKED AS ANNEXURE-'A' AND 'B', ISSUED BY RESPONDENT NO.1 IN ECIR/BGZO/05/2018, ARISING OUT OF CHARGE SHEET NO.1/2019 DATED 18.02.2019 IN RELATION TO FIR BEARING CRIME NO.137/2018 DATED 29.05.2018 REGISTERED AT THE DEVARAJEEVANAHALLI POLICE STATION, BANASWADI SUB DIVISION, BENGALURU CITY UNDER SECTIONS 4, 5, 6 OF THE PRIZE CHITS AND MONEY CIRCULATION SCHEMES (BANNING) ACT, 1978 AND SECTIONS 420, 468 AND 471 OF IPC, INVESTIGATED BY RESPONDENT NO.2 AND PENDING ON THE FILE OF THE PRINCIPAL CITY CIVIL AND SESSIONS JUDGE AND SPECIAL JUDGE FOR THE KARNATAKA PROTECTION OF INTEREST OF DEPOSITORS IN FINANCIAL ESTABLISHMENTS ACT, 2004 IN SPL.C.C.264 OF 2019 AND THE INVESTIGATION/PROCEEDINGS EMANATING THEREFROM.

IN WP NO. 56732/2018

BETWEEN:

SHRI. VIJAY TATA
SON OF R.S.MURTHY,
AGED ABOUT 53 YEARS,
RESIDING AT NO.479, HMT LAYOUT,
NEAR R.T. NAGAR BUS DEPOT,
R.T. NAGAR,
BENGALURU-560 032.

...PETITIONER

(BY SRI. ASHWIN VAISH, ADVOCATE FOR
SRI. GAUTAM S BHARADWAJ, ADVOCATE)

AND:

STATE OF KARNATAKA
REPRESENTED BY THE CENTRAL CRIME BRANCH
(FRAUD AND MISAPPROPRIATION SQUAD),
D.J. HALLI POLICE STATION, CHAMARAJPET,
BENGALURU - 560045

...RESPONDENT

(BY SRI. MOHD. AYUB ALI, ADDITIONAL STATE PUBLIC PROSECUTOR FOR RESPONDENT NO.1)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA READ WITH SECTION 482 OF THE CODE OF CRIMINAL PROCEDURE, 1973 PRAYING TO QUASH QUA THE PETITIONER AND M/S. SANCHAYA LAND AND ESTATE PRIVATE LTD., FIR BEARING CRIME NO.137/2018 DATED 29.05.2018, MARKED AS ANNEXURE-A REGISTERED AT THE DEVARAJEEVANAHALLI POLICE STATION, BANASWADI SUB DIVISION, BENGALURU CITY UNDER SECTIONS 4, 5, 6 OF THE PRIZE CHITS AND MONEY CIRCULATION SCHEMES (BANNING) ACT, 1978 AND SECTIONS 420, 468 AND 471 OF IPC AND THE INVESTIGATION/PROCEEDINGS EMANATING THEREFROM.

THESE PETITIONS HAVING BEEN HEARD AND RESERVED FOR ORDER ON 29.04.2026 AND COMING ON FOR PRONOUNCEMENT OF ORDER THIS DAY, THE COURT MADE THE FOLLOWING:-

CORAM: HON'BLE MR. JUSTICE R. NATARAJ

CAV ORDER

W.P. No.56732/2018 was filed by the petitioner initially challenging the FIR in Cr.No.137/2018 registered by Devarajeevanahalli Police Station, Banaswadi Sub-Division, Bengaluru against him and M/s. Sanchaya Land and Estate Pvt. Ltd. for the offences punishable under Sections 4, 5 and 6 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 (henceforth referred to as 'Act, 1978' for short). Later, he amended the writ petition and challenged the notification bearing No.142/Crimes (2)/COP/2018 dated 09.10.2018 issued by the Additional Commissioner of Police withdrawing the case in Cr.No.137/2018 from the Station House Officer of Devarajeevanahalli Police Station and transferring the same to the Assistant Commissioner of Police, Fraud and Misappropriation Squad, Central Crime Branch, Bengaluru (CCB) for investigation. He has also challenged the order dated 07.03.2019 passed by the Principal City Civil and Sessions Judge and Special Judge for Karnataka Protection of Interest of Depositors in Financial Establishments Act, 2004 (henceforth referred to as the 'Act, 2004' for short) in Spl. C.C. No.164/2019, issuing process to him after taking cognizance of the offences punishable under Sections 4, 5 and 6 of the Act, 1978 and Sections 120B, 406, 409, 411, 413, 420, 465, 468, 471 of Indian Penal Code (henceforth referred to as 'IPC' for short) and Section 9 of the Karnataka Protection of Interest of Depositors in Financial Establishment Act, 2004 (henceforth referred to as 'Act, 2004' for short). The petitioner has sought quashing of the proceedings initiated against him.

2. In W.P.No.24980/2019, the petitioner has called in question the summons dated 06.05.2019 and 10.06.2019 issued by the respondent No.1 in ECIR/BGZO/05/2018 arising out of Charge Sheet No.1/2019 dated 18.02.2019 in relation to FIR bearing Cr.No.137/2018 dated 29.05.2018 registered at the Devarajeevanahalli Police Station, Banaswadi for offences punishable under Sections 4, 5 and 6 of Act, 1978 and Sections 420, 468 and 471 of IPC.

3. (i) The petitioner (Sri. Vijay Tata) in both these petitions contends that case in Cr.No.137/2018 was registered by the Devarajeevanahalli Police Station on 29.05.2018 against the Directors of M/s Ambidant Marketing Private Limited

(henceforth referred as 'M/s Ambidant' in short) for the offences punishable under Section 4, 5 and 6 of Act, 1978 read with Section 120B, 420, 465, 468, 471 of IPC. The petitioner was not arraigned as an accused. The case related to offences allegedly committed by M/s. Ambidant and its sister concern M/s. Ambidant Construction Pvt. Ltd. in luring investors promising them of higher rate of interest/higher returns etc.

(ii) The petitioner contends that during the years 2017 and 2018, as a representative of M/s. Sanchaya Land and Estate Pvt. Ltd., (henceforth referred as 'M/s Sanchaya' in short) he entered into a number of agreements of sale with M/s. Ambidant Construction Pvt. Ltd. in terms of which M/s. Sanchaya had agreed to register various flats/apartments in favour of M/s. Ambidant Construction Pvt. Ltd. or its nominees. During the course of the aforesaid transactions, M/s. Sanchaya executed sale deeds in respect of 85 flats in favour of the nominees of M/s. Ambidant Construction Pvt. Ltd. situate in Anekal and Devanahalli taluks. The total consideration received by M/s. Sanchaya was Rs.35,31,99,996/- and M/s. Sanchaya had already paid GST of a sum of Rs.3,78,42,857/-. It is contended that during the course of the investigation of Crime No.137/2018, the petitioner received notices dated 27.10.2018 and 03.11.2018 to appear before the police. Though, the petitioner was not an accused in Cr.No.137/2018, he joined the investigation and submitted all documents pertaining to the transaction between M/s. Sanchaya and M/s. Ambidant.

(iii) The petitioner contends that he was pressurized by the erstwhile Investigating Officer to pay a sum of Rs.50,00,00,000/- to close the case and therefore, he was compelled to approach this Court in W.P.No.52593/2018. He contends that during the pendency of the said petition, the respondent issued a notice dated 04.12.2018 to recover a sum of Rs.4,71,18,816/- from the petitioner alleging that M/s. Sanchaya was liable to pay the said amount to M/s. Ambidant Construction Pvt. Ltd. The said notices were challenged in W.P. No.52593/2018. However, on 10.12.2018 the said petition was disposed of on the assurance that the respondent would act in accordance with law. However, the petitioner has withdrawn the amendment application and liberty was reserved to the petitioner to challenge the notice dated 04.12.2018.

(iv) The petitioner contends that on 10.12.2018 the Investigating Officer called him and informed him that if he failed to meet the terms of the notice dated 04.12.2018, he would be arrested. Consequently, the petitioner filed W.P. No.55460/2018 challenging the notice dated 04.12.2018. This Court, in terms of an order dated 12.12.2018 set aside the demand notice and directed the petitioner to reply to the said notice, which he did. The petitioner claims that the respondent later attached the bank account of M/s. Sanchaya on 15.12.2018. The petitioner thereafter learnt that the case was transferred to the Principal City Civil and Sessions Judge, Bengaluru (henceforth referred as 'Trial Court' for short) being the designated Special Court to try offences relating to the Act, 2004. This Court in terms of an order dated 21.12.2018 passed in this writ petition, directed that no precipitative action shall be taken against petitioner till 10.01.2019, which was however subject to the condition that he deposited 50% of Rs.4,71,18,816/- forthwith and the balance within four weeks thereafter. This Court also directed the respondent-Investigating Officer not to arrest the petitioner. The said order was extended from time to time. Accordingly, the petitioner deposited the sum of Rs.4,71,18,816/- which was ordered to be kept in a fixed deposit at the State Bank of India, Vidhana Soudha Branch, Bengaluru in terms of an order dated 21.03.2019. Later the investigation was transferred by the Additional Commissioner of Police, (Crime), Bengaluru, from Devarajeevanahalli Police Station to the Assistant Commissioner of Police, Fraud and Misappropriation Squad, Central Crime Branch (henceforth referred as 'CCB' in short) in terms of an order dated 09.10.2018. The CCB after completion of investigation, filed a charge sheet arraigning the petitioner as accused No.5. The Trial Court took cognizance of the offences punishable under Sections 4, 5 and 6 of the Act, 1978, Sections 120B, 406, 409, 411, 413, 420, 465, 468 and 471 of IPC and Section 9 of the Act, 2004 in Spl. C.C. No.164 of 2019 and issued process against the petitioner.

(v) Being aggrieved by the registration of the FIR, the order dated 09.10.2018 passed by the Additional Commissioner of Police transferring the investigation to the CCB, and the order taking cognizance of the offences, the petitioner has approached this Court.

4. (i) The learned counsel for the petitioner submits that the petitioner has nothing to do with M/s. Sanchaya and that he was only an authorized representative of the said company. He contends that all the transactions between M/s. Ambidant Construction Pvt. Ltd., and M/s. Sanchaya were entered into with the latter, which is a company incorporated under the Companies Act, 1956 and assuming that petitioner is responsible for the affairs of M/s Sanchaya, then without arraigning M/s. Sanchaya as an accused, the petitioner cannot be arraigned as an accused. In support of this contention, he has relied upon the following judgments:

(i) *Vinay Tyagi Vs. Irshad Ali @ Deepak - (2013) 5 SCC 763;*

(ii) Sharad Kumar Sanghi Vs. Sangita Rane - (2015) 12 SCC 781;

(iii) Shiv Kumar Jatia Vs. State of NCT of Delhi - (2019) 17 SCC 193;

(iv) Sushil Sethi Vs. State of Arunachal Pradesh - (2020) 3 SCC 240;

(v) Smt. Shoba B. Vs. State of Karnataka by Doddapet P.S. - W.P.No.12451/2021 dated 20.02.2024;

(vi) Delhi Race Club (1940) Ltd. Vs. State of Uttar Pradesh - 2024 INSC 626;

(vii) Director, Enforcement Directorate Vs. Vilelie Khamo - SLP (Crl.) No.15189/2024 dated 19.12.2024;

(viii) Smt. Parvathi Vs. Directorate of Enforcement - Crl.P.No.1132/2025 dated 07.03.2025;

(ix) Sri. B.S.Suresha Vs. Directorate of Enforcement - Crl.P.No.1129/2025 dated 07.03.2025;

(x) Sri. R.M.Manjunath Gowda Vs. Directorate of Enforcement - W.A.no.497/2024 dated 22.03.2025;

(xi) Sri. R.M.Manjunath Gowda Vs. Directorate of Enforcement - SLP (Crl.) Diary No.24573/2025 dated 09.05.2025;

(xii) S.C.Garg Vs. State of Uttar Pradesh - 2025 SCC Online SC 791.

(ii) He contends that CCB is not a Police Station and therefore has no power or authority to take up the investigation and file a report. He submits that there is no notification issued by the State treating the CCB as superior to the officer in charge of a police station and hence the withdrawal of the case from the Devarajeevanahalli Police Station and entrustment of the investigation to the CCB is in violation of Section 36 of

Cr.P.C. In support of this contention, he has relied upon the judgment of a Co-ordinate bench of this Court in the case of ***Crl.R.P.No.638/2016 connected with Crl.R.P.No.550/2016***. He also contends that a reading of the charge sheet does not show how an offence under Sections 4, 5 and 6 of the Act, 1978 is attracted against the petitioner. Likewise, he contends that there is nothing to show that the petitioner has committed any offence punishable under Sections 420, 468 or 471 of IPC.

(iii) He invited the attention of the Court to the order dated 19.09.2023 whereby this Court called upon the High Court Government Pleader to secure the material collected against the petitioner during the investigation of Cr.No.137/2018 and also to secure instructions whether the reply filed by the petitioner (accused No.5) pursuant to the order passed by this Court in W.P. No.55460/2018 was considered or not. The learned High Court Government Pleader after securing instructions, submitted that the respondents have not furnished any material to establish the involvement of the petitioner in the commission of the offences punishable under Sections 4, 5 and 6 of the Act, 1978 and Sections 120B, 420, 468 and 471 of IPC. The learned counsel for the petitioner therefore contends that in the absence of any material collected against the petitioner, the filing of the charge sheet against him is without any basis and the Trial Court without examining the material on record, has blindly proceeded to take cognizance of the offences and issued process against the petitioner.

(iv) He invited the attention of the Court to page No.51 of charge sheet where accusations are made against the petitioner and contends that there is no material collected by the prosecution to establish the said accusation. He therefore contends that the impugned prosecution launched against the petitioner is liable to be quashed.

(v) He further contends that following the registration of the FIR, the Enforcement Directorate issued summons to the petitioner. He contends that the petitioner was called upon to furnish documents, which were furnished through an authorised representative. However, the Enforcement Directorate is insisting upon the personal appearance of the petitioner. He contends that since the proceedings in Spl.C.C.No.164/2019 is questioned in W.P.No.56732/2018, the summons issued by the Enforcement Directorate is subject to the outcome of this petition.

5. (i) Per contra, the learned Additional SPP for the State submits that the modus operandi of the petitioner is evident from the statements of the witnesses recorded during the course of investigation. He contends that the accused had confessed that Samaya news channel had telecast defamatory programmes against M/s. Ambidant and that the promoters of M/s. Ambidant brokered a deal with M/s. Sanchaya pursuant to which M/s. Ambidant invested money in the apartment complexes developed by M/s. Sanchaya at Anekal and Devanahalli Taluks by paying a premium price. He therefore, contends that the petitioner, being a representative of M/s. Sanchaya was the one behind the scene, who received the proceeds of the crime and, therefore, he was arraigned as an accused.

(ii) He submitted that the statement of the witnesses recorded by the investigating officer would establish that it was M/s. Sanchaya who conveyed apartments to the depositors in respect of the amounts deposited by them with M/s. Ambidant. Therefore, he contends that after conducting an investigation and procuring materials against the petitioner, he was arraigned as accused No.5. He contends that the contentions urged by the petitioner in this writ petition could very well be pressed into service before the Trial Court by seeking discharge. He therefore, prays that the petition be dismissed.

(iii) He contends that the prosecution of the petitioner cannot be set at nought on the ground that M/s. Sanchaya is not arraigned as an accused in the case. He submits that if the Court comes to the conclusion that M/s. Sanchaya ought to have been arraigned as an accused, the Court would exercise jurisdiction under Section 319 of Cr.P.C to arraign the person who is involved in the offence. He therefore, contends that the prosecution launched against the petitioner cannot be set at nought on this ground.

(iv) As regards the contention that the CCB is not a police station for the purpose of Section 2(s) of the Cr.P.C., he submits that the State Government has issued a notification dated 25.02.2021 in terms of which, the officers of the CCB are treated as superiors to the officer in charge of a police station and therefore, the investigation undertaken by the CCB cannot be upset or stalled. He referred to the judgment of a Co-ordinate Bench of this Court in the case of ***Sri. Ditul Mehta Vs. State of Karnataka - 2024 (3) Kar.L.J 14*** in support of this contention. He contends that the judgment of this Court in ***Dr. M.G.Gopal Principal Dean of KIMS Vs. State by Central Police and Another*** - ***2021 SCC Online Kar 339*** cannot be cited as a precedent, as the said judgment was questioned before the Hon'ble Supreme Court in **SLP(Crl.)No.2157-2158/2021** where the order dated 18.01.2021 passed in the case of ***Dr. M.G. Gopal Principal Dean*** referred supra is stayed vide order dated 12.03.2021.

6. The learned counsel for the Enforcement Directorate submitted that the summons issued to the petitioner to appear for an enquiry is justiciable, as the

Enforcement Directorate is empowered to issue summons not only to the accused in predicate offence but also to all those persons who are known to have any knowledge about the proceeds of crime. He contends that the petitioner has categorically admitted that he is the authorised representative of M/s. Sanchaya and therefore he is bound to appear before the Directorate and co-operate in the investigation of the offence under the Prevention of Money-Laundering Act, 2002. In support of this contention, he relied upon the judgment passed by this Court in the case of ***Smt. Shobha V Vs. State of Karnataka and another - W.P.No.12451/2021.***

7. I have considered the submissions of the learned counsel for the petitioner as well as learned Additional SPP for the State and the learned counsel for Enforcement Directorate in W.P.No.24980/2019. I have also perused the voluminous papers placed before this Court.

8. A case in Cr.No.137/2018 was registered by the Devarajeevanahalli Police Station on 29.05.2018 for the offences punishable under Sections 4, 5 and 6 of the Act, 1978

against M/s. Ambidant and its two Directors. The petitioner was not arraigned as an accused. Having regard to the various FIRs' lodged against M/s. Ambidant an order dated 09.10.2018 was passed by the Additional Commissioner of Police withdrawing the case in Cr.No.137/2018 from Devarajeevanahalli police station and transferring it to the Assistant Commissioner of Police, Fraud and Misappropriation, CCB, Bengaluru. During the course of investigation, sale deeds and sale agreements executed by M/s. Sanchaya in favour of M/s. Ambidant Construction Pvt. Ltd. were secured.

9. A confession statement of the accused No.2 discloses that several commercially injurious programmes were telecast against M/s.Ambidant and its directors on Samaya News, which prompted many investors in M/s. Ambidant to withdraw their deposits. He therefore approached the petitioner for an amicable settlement. The petitioner who purportedly is the owner of Samaya News, insisted that a sum of Rs.20,00,00,000/- be paid to him. When accused No.2 informed the petitioner that he did not have such a huge amount, the petitioner represented that his company was

developing residential flats in Anekal and Devanahalli Taluks and that M/s.Ambidant should invest Rs.2,00,00,00,000/- in the said projects. Later, M/s. Ambidant Construction Pvt. Ltd. entered into an agreement to purchase 83 flats from M/s.Sanchaya and thereafter transferred a sum of Rs.36,00,00,000/- to M/s Sanchaya through bank transfer and paid a sum of Rs.2,00,00,000/- in cash.

10. This was also reiterated by accused No.3 in his confession statement. The statement of the witnesses in the charge-sheet also show that sale deeds were executed by M/s. Sanchaya in their favour at the instance of M/s. Ambidant so as to liquidate their claims against M/s. Ambidant.

11. The allegations contained in charge sheet in so far as the petitioner is concerned are as follows:

> *ಆರೋಪಿತ ಎ–5 ವಿಜಯ ಟಾಟಾ ಈತನು ತನ್ನ ಸಂಚಯ ಲ್ಯಾಂಡ್ & ಎಸ್ಟೇಟ್ಸ್ ವತಿಯಿಂದ 11 ಪ್ಲಾಟ್‌ಗಳನ್ನು ಆಂಬಿಡೆಂಟ್‌ನ ಹೂಡಿಕೆದಾರರಿಗೆ ಅವರಿಂದ ಪ್ಲಾಟಿನ ವ್ಯತ್ಯಾಸದ ಹಣವನ್ನು ಪಡೆದುಕೊಂಡು ರಿಜಿಸ್ಟರ್ಡ್ ಸೇಲ್ ಡೀಡ್ ಮಾಡಿಕೊಟ್ಟಿರುತ್ತಾನೆ ಹಾಗೂ ಉಳಿದ 72 ಪ್ಲಾಟ್‌ಗಳಿಗೆ ಸಂಬಂಧಪಟ್ಟಂತೆ ಆಂಬಿಡೆಂಟ್ ಹೂಡಿಕೆದಾರರಿಗೆ ಸೇಲ್ ಅಗ್ರಿಮೆಂಟ್ ಮಾಡಿಕೊಟ್ಟಿರುತ್ತಾನೆ. ಆರೋಪಿ ಎ–5 ವಿಜಯ ಟಾಟಾ ಈತನು ಎ–1 ಆಂಬಿಡೆಂಟ್ ಕಂಪನಿ ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರಾದ ಎ–2 ಸೈಯದ್ ಫರೀದ್*

ಅಹಮದ್ ಈತನು ಹೊಂದಿರುವ ಹಣ ಸಾರ್ವಜನಿಕರಿಗೆ ಸೇರಿದ್ದು ಎಂಬ ತಿಳುವಳಿಕೆ ಇದ್ದು ಕೂಡ ಎ–1 ಆಂಬಿಡೆಂಟ್ ಕಂಪನಿ ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರಾದ ಎ–2 ಸೈಯದ್ ಫರೀದ್ ಅಹಮದ್ ರವರಿಗೆ ಬಲಾತ್ಕಾರವಾಗಿ ತಾನು ನಿರ್ಮಿಸುತ್ತಿದ್ದ ಪ್ರಾಜೆಕ್ಟ್‌ಗಳಲ್ಲಿ ಹಣ ಹೂಡಿಕೆಮಾಡಿಕೊಳ್ಳಲು ಪ್ರಯತ್ನಿಸಿ, ನಂತರ ಅದು ಆಗದೇ ಇದ್ದಾಗ ಪ್ಲಾಟ್‌ಗಳನ್ನು ಮಾರಾಟಮಾಡುವ ಉದ್ದೇಶದಿಂದ ಸಮಯ ಸುದ್ದಿವಾಹಿನಿಯೊಂದಿಗೆ ಅಪರಾಧಿಕ ಒಳಸಂಚು ನಡೆಸಿ, ಎ–1 ಆಂಬಿಡೆಂಟ್ ಕಂಪನಿ ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರ ವಿರುದ್ಧ ಅಪಪ್ರಚಾರಮಾಡಿ, ಎ–10 ಅಶ್ರಫ್ ಅಲಿ ಈತನ ಮಧ್ಯಸ್ಥಿಕೆಯಲ್ಲಿ ಸುಮಾರು 36 ಕೋಟಿ ರೂಪಾಯಿಗಳನ್ನು ಎ–2 ಸೈಯದ್ ಫರೀದ್ ಅಹಮದ್ ರವರಿಂದ ಅಕ್ರಮವಾಗಿ ಪಡೆದುಕೊಂಡು, ನಿರ್ಮಾಣ ಹಂತದಲ್ಲಿರುವ 11 ಪ್ಲಾಟ್‌ಗಳನ್ನು ಎ–1 ಆಂಬಿಡೆಂಟ್ ಕಂಪನಿಯ ಹೂಡಿಕೆದಾರರಿಗೆ ಸೇಲ್ ಡೀಡ್ ಮಾಡಿಕೊಟ್ಟಿದ್ದು ನಿರ್ಮಾಣ ಹಂತದಲ್ಲಿರುವ 72 ಪ್ಲಾಟ್‌ಗಳನ್ನು ಎ–1 ಆಂಬಿಡೆಂಟ್ ಕಂಪನಿಯ ಹೂಡಿಕೆದಾರರಿಗೆ ಸೇಲ್ ಅಗ್ರಿಮೆಂಟ್ ಮಾಡಿಕೊಟ್ಟಿರುತ್ತಾನೆ. 2 ಪ್ರಾಜೆಕ್ಟ್‌ಗಳ ನಿರ್ಮಾಣ ಕಾರ್ಯ ತುಂಬಾ ನಿಧಾನಗತಿಯಲ್ಲಿ ನಡೆದಿದ್ದು, ಯಾವುದೇ ಪ್ಲಾಟ್ ಅನ್ನು ವಾಸಯೋಗ್ಯಕ್ಕೆ ಪೂರ್ಣಗೊಳಿಸಿ ಈವರೆಗೆ ಅಂಬಿಡೆಂಟ್ ಕಂಪನಿಯ ಹೂಡಿಕೆದಾರರಿಗೆ ಹಸ್ತಾಂತರಿಸದೆ ಮೋಸಮಾಡಿರುತ್ತಾನೆ. (D-136A-D, D-137, D-138, D-139, D-140A-B, D-141A-C, 142A-E, CW-87, CW88, CW-44 to CW-49, CW-90A, CW-95)

ಎ–1 ಆಂಬಿಡೆಂಟ್ ಕಂಪನಿಯ ಹೂಡಿಕೆದಾರರು ವ್ಯತ್ಯಾಸದ ಹಣವನ್ನು ನೀಡಿ, ಸೇಲ್ ಅಗ್ರಿಮೆಂಟ್ ಮತ್ತು ಸೇಲ್ ಡೀಡ್‌ಗಳನ್ನು ಎ–5 ವಿಜಯ ಟಾಟಾ ನಿಂದ ಮಾಡಿಕೊಂಡಿದ್ದು, ತನ್ನ ಪ್ರಾಜೆಕ್ಟ್‌ಗಳನ್ನು ಸಂಪೂರ್ಣವಾಗಿ ನಿರ್ಮಾಣಮಾಡದೇ ಇರುವುದು ಮತ್ತು ಕಾಮಗಾರಿಯು ಮಂದಗತಿಯಲ್ಲಿ ನಡೆಯುತ್ತಿರುವುದು ಹಾಗೂ ಪ್ಲಾಟ್ ಗಳನ್ನು ಹೂಡಿಕೆದಾರರಿಗೆ ಹಸ್ತಾಂತರಿಸದೇ ಇರುವುದು ಹಾಗೂ ಹೂಡಿಕೆದಾರರ ಹಣವನ್ನು ಮರಳಿ ನೀಡದೇ ನಂಬಿಕೆ

ದ್ರೋಹವೆಸಗಿ, ಹೂಡಿಕೆದಾರರು ಇಟ್ಟಿದ್ದ ನಂಬಿಕೆಗೆ ದ್ರೋಹವೆಸಗಿ ಮೋಸಮಾಡಿರುತ್ತಾನೆ. ಎ–1 ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಾದ ಎ–2 ಸೈಯದ್ ಫರೀದ್ ಅಹಮದ್, ಎ–3 ಸೈಯದ್ ಅಫಾಕ್ ಅಹಮದ್ ಮತ್ತು ಎ–4 ಇರ್ಫಾನ್ ಮಿರ್ಜಾ ರವರು ತಮ್ಮ ಹೂಡಿಕೆದಾರರಿಗೆ ನಂಬಿಕೆ ದ್ರೋಹಮಾಡಿ ಗಳಿಸಿದ ಹಣ ಎಂದು ತಿಳಿದಿದ್ದರೂ ಕೂಡ ಅದನ್ನು ಎ–5 ಪದೇ ಪದೇ ಸ್ವೀಕರಿಸಿರುತ್ತಾನೆ. ಆಗಾಗಿ ಈತನು ಕಲಂ–120(ಬಿ), 420, 409, 411, 413 ಐಪಿಸಿ ಮತ್ತು ಕಲಂ–9 ಕರ್ನಾಟಕ ಹಣಕಾಸು ಸಂಸ್ಥೆಗಳಲ್ಲಿ ಠೇವಣೀದಾರರ ಹಿತಾಸಕ್ತಿ ಸಂರಕ್ಷಣಾ ಅಧಿನಿಯಮ –2004 ರ ಪ್ರಕಾರ ಅಪರಾಧವೆಸಗಿರುತ್ತಾರೆ."

12. When this Court called upon the learned High Court Government Pleader to place on record the materials procured by the investigating officer so as to justify the charge sheet against the petitioner, no incriminating material is produced. On the other hand, the learned High Court Government Pleader has placed on record an extract from the office of the Registrar of Companies, which shows that the petitioner was not a director of M/s. Sanchaya. Except for the accusations made in the confession statements of accused Nos.2 and 3 which are *per se* inadmissible, there is no material to prosecute the petitioner. It is not as if the petitioner was the recipient of money from M/s. Ambidant. Therefore, there is nothing on

record to accuse the petitioner of having committed an offence under Sections 4, 5 and 6 of the Act, 1978. As regards, the offence under Sections 120B, 420, 465, 468 and 471 of IPC, the allegations against the petitioner does not, in any manner constitute offences punishable under Sections 120B, 406, 409, 420, 465, 468 and 471 of IPC.

13. In addition to this, M/s. Sanchaya which is the recipient of the proceeds of alleged crime, is not arraigned as an accused in the case. Therefore, as rightly contended by the learned counsel for the petitioner, unless M/s. Sanchaya was arraigned as an accused, the petitioner could not be prosecuted for acts of M/s. Sanchaya.

14. The Trial Court while taking cognizance of the offences alleged against the petitioner, must have considered the material placed on record by the prosecution to satisfy itself whether offences under Sections 4, 5 and 6 of the Act, 1978 was made out against the petitioner. However, a perusal of the order dated 07.03.2019 passed by the Trial Court would indicate that the Trial Court made an omnibus statement that

the charge sheet papers were produced and proceeded to take cognizance. It is now trite that taking cognizance of the offences is not an administrative act, but a conscious judicial act, which has to be performed with great care and caution. The Trial Court did not even apply its mind as to whether the material placed by the prosecution justified proceeding against the petitioner for the offences alleged. Therefore, the petitioner is bound to succeed in setting at nought the prosecution launched against him. The question whether CCB is a 'police station' and whether entrustment of the investigation to CCB and the consequent filing of the charge sheet by CCB violates Section 36 of Cr.P.C. is kept open in view of the pendency of SLP (Cri) No.2157-58/2021.

15. As regards, the summons issued by the Enforcement Directorate, it is well settled that the Enforcement Directorate is entitled to summon not only the accused in the predicate offence but also those persons who have knowledge about the placement of the proceeds of the crime. The petitioner has throughout the proceedings claimed that he was the authorised representative of M/s. Sanchaya. Therefore,

once the predicate offence was registered against the other accused, the Enforcement Directorate was entitled to summon the petitioner.

16. In this regard, it is profitable to refer the judgment of this Court in ***W.P.No.12451/2021*** and connected petitions which was upheld by the Division Bench of this Court in ***W.A.No.497/2024*** and by the Hon'ble Apex Court in ***SLP(Cri.) No.24573/2025.*** The judgment of the Hon'ble Supreme Court in SLP(Cri.) No.15189/2024 is also apposite where it was held as follows:

> *"Suffice it is to state that at this stage we are dealing with a summons that has been issued.*
>
> *In such view of the matter, the impugned order stands set aside and the appellant is at liberty to proceed in pursuance to the summons that had been issued. However, we make it clear that all issues are left open to the respondent, in the event of him being arrayed as an accused.*
>
> *Considering the facts and circumstances of the case, we direct that the respondent may not be arrested as he has been responding to the summons, subject to the condition that he shall continue to cooperate with the investigation."*

17. Therefore, W.P.No.56732/2018 is ***allowed*** and the FIR registered against the petitioner (accused No.5) in Cr.No.137/2018 by the Devarajeevanahalli Police Station, Banaswadi Sub-Division, Bengaluru for the offences punishable under Sections 4, 5 and 6 of Prize Chits and Money Circulation Schemes (Banning) Act, 1978 and Sections 120B, 420, 465, 468 and 471 of Indian Penal Code, 1860 is quashed. Consequently, the charge sheet filed in Spl.C.C.No.164/2019 for the offences punishable under Sections 4, 5 and 6 of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 and Sections 120B, 406, 409, 411, 413, 420, 465, 468 and 471 of IPC and Section 9 of Karnataka Protection of Interest of Depositors in Financial Establishment Act, 2004 is also quashed in so far as the petitioner (accused No.5) is concerned. The order dated 07.03.2019 passed by the Trial Court taking cognizance for the offences under Sections 4, 5 and 6 of the Prize Chits and Money Circulation Scheme (Banning) Act, 1978 and Sections 120B, 406, 409, 411, 413, 420, 465, 468 and 471 of Indian Penal Code, 1860 and Section 9 of the Karnataka Protection of Interest of Depositors in Financial Establishment

Act, 2004 and issuing process against the petitioner is also quashed. The order dated 09.10.2018 passed by the Additional Commissioner of Police, entrusting the investigation of Crime No.137/2018 to CCB is subject to the outcome of SLP (Cri) No.2157-58/2021.

18. In view of the findings recorded above, W.P.No.24980/2019 is ***dismissed***. It is open for the Enforcement Directorate to seek personal presence of the petitioner for recording his statement if any.

19. A sum of Rs.4,71,18,816/- deposited by the petitioner shall be released to the petitioner after conclusion of the trial in Spl.C.C.No.164/2019.

Sd/-
(R. NATARAJ)
JUDGE

HJ
List No.: 1 Sl No.: 94