HC-KAR

NC: 2026:KHC:17283
CRL.P No. 3497 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 26TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

CRIMINAL PETITION NO. 3497 OF 2026

BETWEEN:

1. G.T DINESH KUMAR
   S/O THIPPE RUDRAPPA,
   AGED ABOUT 46 YEARS,
   FLAT NO.A1-107, BLOCK-A,
   VAISHNAVI NORTH, HEBBAL,
   BENGALURU-560 024

   (CURRENTLY PETITIONER IS IN
   JUDICIAL CUSTODY)

... PETITIONER

(BY SRI. SANDESH J. CHOUTA, SENIOR ADVOCATE FOR
SRI SUNIL KUMAR S., ADVOCATE)

Digitally signed by VIDYA G R
Location: HIGH COURT OF KARNATAKA

AND:

1. DIRECTOR OF ENFORCEMENT,
   REP. BY ASSISTANT DIRECTOR,
   GOVERNMENT OF INDIA,
   BENGALURU ZONAL OFFICE,
   3RD FLOOR, B BLOCK, BMTC,
   SHANTHINAGARA-TTMC, K H ROAD,
   SHANTHINAGARA, BENGALURU-560 027

... RESPONDENT

(BY SRI. ARAVIND KAMATH, ASG FOR
SRI MADHUKAR DESHPANDE, ADVOCATE)

THIS CRL.P IS FILED U/S 407 OF CR.PC (FILED U/S 447 BNSS, 2023) PRAYING TO TRANSFER THE ECIR/BGZO/25/2024 DATED 01.10.2024 FOR OFFENCE P/U/S 3 AND 4 PMLA 2002 PENDING ON THE FILE OF LXXXI ADDITIONAL CITY CIVIL AND SESSIONS JUDGE AND SPECIAL COURT EXCLUSIVELY TO DEAL WITH CRIMINAL CASES RELATED TO ELECTED FORMER AND SITTING MPs/MLAs IN THE STATE OF KARNATAKA (CCH-82) TO THE FILE OF THE LEARNED PRINCIPAL CITY CIVIL AND SESSIONS JUDGE, BENGALURU (CCH-1) FOR TRIAL AND DISPOSAL IN ACCORDANCE WITH LAW AND ETC.

THIS PETITION COMING ON FOR ADMISSION THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

ORAL ORDER

The present petition is filed seeking transfer of ECIR/BGZO/25/2024 dated 01.10.2024 for the offence punishable under Sections 3 and 4 of the Prevention of Money Laundering Act, 2002 [for short, 'PMLA, 2002'] pending on the file of LXXXI Additional City Civil and Sessions Judge and Special Court exclusively to deal with Criminal cases related to Elected Former and Sitting MPs/MLAs in the State of Karnataka (CCH-82) to the file of learned Principal City Civil & Sessions Judge, Bengaluru (CCH-1), which is the competent Court and other than the

designated Court to deal with the cases relating to Elected Members.

2. The only grievance raised by the petitioner is that the proceedings ought to be transferred from the designated Court dealing with cases of Elected Representatives to the other competent Court. It is submitted that insofar as the predicate offence relating to certain Elected Representatives, Final 'B' Report was filed by the Karnataka Lokayukta as against such Elected Representative, which has been accepted by the trial Court. It is submitted that, if that were to be so, the other accused being non-elected Members, the Special Court constituted to take up matters relating to Elected Members loses jurisdiction and the matter must be relegated under Section 43(1) of PMLA, 2002 to the Court of Principal City Civil and Sessions Judge, Bengaluru, which deals with the regular matters.

3. Sri Sandesh Chouta, learned Senior Counsel appearing on behalf of petitioner submits that, since the trial Court which is now Special Court dealing with the cases of Elected Representatives is continuing with the matter, necessary order is required to be passed.

4. Sri Arvind Kamath, learned Additional Solicitor General of India appearing for Sri Madhukar Deshpande for the respondent-Directorate of Enforcement would submit that the acceptance of Final 'B' Report is a matter of challenge before this Court by way of petition and in the event said petition is allowed, the proceedings stand restored against the Elected Member and the proceedings other than before the trial Court would have to be continued before the designated Court dealing with the cases of Elected Members. Accordingly, it is submitted that the matter may be deferred in the same stage so that the interim order passed earlier staying the proceedings of trial Court would continue.

5. Sri Sandesh Chouta, learned Senior Counsel appearing on behalf of petitioner would submit that trial is to progress as the petitioner is in custody and that in terms of the order, rejecting his bail application with certain observations, there was an observation made, which has reference to the stage of proceedings before the trial Court and reserving liberty to approach once again seeking bail, accordingly, it is submitted that trial requires to be expedited.

6. The facts are not in dispute. Both sides would agree that as on date of acceptance of Final 'B' Report insofar as the Elected Members are concerned, the Special Court dealing with the cases of Elected Members would lose jurisdiction.

7. The other contention raised on behalf of respondent - Enforcement Directorate regarding challenge to the acceptance of Final 'B' Report, is a separate issue that ought not to be tagged with the continuance of

present proceedings before the Special Court for Elected Members. Once the proceedings against the Elected Members stand closed, the case ought to be relegated to the Court which otherwise would take up the matters under the PMLA, 2002 and as against the accused other than the Elected Members. The challenge to Final 'B' Report being a separate litigation, the trial in the present case cannot be paused till the decision is taken in the petition challenging the acceptance of Final 'B' Report.

8. Accordingly, the proceedings are directed to be made over from the said Court constituted exclusively to deal with criminal cases of Elected MPs/MLAs under Section 43(1) of PMLA, 2002, to the designated Court which is the Court of Principal City Civil and Sessions Judge, Bengaluru.

9. It is submitted on behalf of respondent Enforcement Directorate that the *de facto* complainant ought to be heard.

10. However, it is noticed that under Section 45 of PMLA 2002, cognizance could be taken only upon a complaint in writing made by certain designated Officers as provided under *second proviso* to Section 45 of PMLA, 2002'. A private person has no audience insofar as the offences under PMLA, vis-à-vis the complaint being filed before the Court. Even in terms of Section 44(1)(b) of PMLA 2002 the Special Court may take cognizance only upon a complaint made by the Authority authorized.

11. The person who has filed the complaint/PCR has no audience at this stage. Accordingly, the said contention is rejected. Even otherwise, the question of Court constituted to deal with the cases of Elected Members has no jurisdiction as on date to continue and accordingly, even in the absence of transfer petition, the Court before which the proceedings were pending ought to have by itself relegated the matter to the Court designated to deal with PMLA cases other than the Special Court, which deals with the cases of MPs/MLAs.

Accordingly, the petition is ***disposed of*** in terms of the above observations and directions.

SD/-
(S SUNIL DUTT YADAV)
JUDGE

VGR