

Reserved on : 29.07.2026

Pronounced on : 25.09.2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 25TH DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE M. NAGAPRASANNA

WRIT PETITION No.10816 OF 2026 (GM – RES)

BETWEEN:

B.S.PANDURANG SINGH
S/O LATE SHANKAR SINGH
AGED ABOUT 63 YEARS
R/O: DOOR NO. 007, 23/1,
HOYSALA SAI SHELTER APARTMENT,
DR.RAJGOPAL ROAD, SANJAY NAGAR,
BENGALURU, KARNATAKA – 560 094.

... PETITIONER

(BY SRI ANISH JOSE ANTONY, ADVOCATE)

AND:

DIRECTORATE OF ENFORCEMENT
REPRESENTED BY
THE DEPUTY DIRECTOR,
DIRECTORATE OF ENFORCEMENT
3RD FLOOR, B BLOCK, BMTC,
SHANTINAGAR, TTMC,
K.H ROAD, SHANTINAGAR,
BENGALURU – 560 027.

... RESPONDENT

(BY SRI MADHU N.RAO, SPL.PP)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO A. ISSUE A WRIT OF CERTIORARI FOR WRIT OF CERTIORARI FOR CALLING FOR THE RECORDS OF ANNEXURE-D PROVISIONAL ATTACHMENT ORDER NO.03/2023 DATED 17.03.2023 AND ANNEXURE-E ORDER DATED 09.08.2023 IN ORIGINAL COMPLAINT (OC NO.1936/2023) PASSED BY THE ADJUDICATING AUTHORITY UNDER PMLA ACT 2002 AND QUASH THE SAME SO FAR AS THE ATTACHMENT ORDERS PASSED AGAINST THE PETITIONER'S PROPERTY AND OTHER CONSEQUENTIAL ACTIONS TAKEN THEREAFTER AGAINST THE PETITIONER PROPERTY ON A CONDITION TO ACCEPT FIXED DEPOSIT RECEIPT OF A NATIONALIZED BANK FOR AN AMOUNT OF RS 21,33,938 (19,20,788 + 2,13,150) SUBJECT TO THE FINAL OUTCOME OF THE PROCEEDINGS INITIATED BY THE RESPONDENT IN ECIR NO. BGZO/07/2017 FOR THE PREDICATE OFFENSE ALLEGED TO HAVE COMMITTED IN SPECIAL CC NO.471/2016 PENDING BEFORE THE 23RD ADDITIONAL CITY CIVIL SESSION'S JUDGE AND SPECIAL JUDGE FOR PREVENTION OF CORRUPTION ACT AT BANGALORE CITY IN CRIME NO 1/2014 REGISTERED BY THE KARNATAKA LOKAYUKTA POLICE IN THE INTEREST OF JUSTICE AND EQUITY.

THIS WRIT PETITION HAVING BEEN HEARD AND RESERVED FOR ORDERS ON 29.07.2026, COMING ON FOR PRONOUNCEMENT THIS DAY, THE COURT MADE THE FOLLOWING:-

CORAM: **THE HON'BLE MR JUSTICE M.NAGAPRASANNA**

CAV ORDER

The petitioner is before this Court seeking the following prayer:

- "a. Issue a writ of certiorari for writ of certiorari for calling for the records of Annexure-D provisional attachment order No.03/2023 dated 17-03-2023 and Annexure-E order dated 09-08-2023 in original complaint (OC No.1936/2023) passed by the adjudicating authority under PMLA Act 2002 and quash the same so far as the attachment orders passed against the petitioner's property and other consequential actions taken thereafter against the petitioner property on a condition to accept fixed deposit receipt of a nationalized bank for an amount of ₹21,33,938 (19,20,788+2,13,150) subject to the final outcome of the proceedings initiated by the Respondent in ECIR No.BGZO/07/2017 for the predicate offence alleged to have committed in Special C.C.No.471/2016 pending before the 23rd Additional City Civil and Session's Judge and Special Judge for Prevention of Corruption Act at Bangalore City in Crime No.1/2014 registered by the Karnataka Lokayukta Police in the interest of justice and equity.
- b. And grant such other relief or directions as this Hon'ble Court deems fit the facts and circumstances of the case."

2. Heard Sri Anish Jose Antony, learned counsel appearing for the petitioner and Sri Madhu N. Rao, Special Public Prosecutor appearing for the respondent.

3. Facts, in brief, germane are as follows: -

The petitioner on two dates *i.e.*, 27-02-2008 and 28-02-2008 purchases certain agricultural land in Bagalkot district. A crime comes to be registered in Crime No.1 of 2014 by the Karnataka Lokayukta against several persons alleging that in the year 2009-10, the accused had excavated iron ore without paying royalty and had caused loss to the State Government. One of the accused was M/s.S.B.Minerals. The petitioner is one of the partners of M/s.S.B.Minerals. Based upon the said crime, an Enforcement Case Information Report ('ECIR') is registered on 23-02-2017, bearing No.BGZO/07/2017 by the Directorate of Enforcement. On 17-03-2023, an order of provisional attachment bearing No.3/2023 is passed by the respondent invoking Sub-section (1) of Section 5 of the Prevention of Money Laundering Act, 2002 ('the Act' for short). The Adjudicating Authority on 09-08-2023 confirms the order of provisional attachment in original complaint – O.C.No.1936 of 2023. The predicate offence which was being tried in Special C.C.No.471 of 2016 is stayed at the hands of this Court in Criminal Revision Petition No.188 of 2023 and connected cases.

4. The issue in the *lis* is not with regard to the said proceedings. The petitioner has challenged the order confirming the provisional attachment before the Tribunal. But, during its pendency, now wants the prayer that is sought as afore-quoted to be granted on the strength of an order passed by the Apex Court in the case of **VEERBHADRAPPA G.E. v. STATE OF KARNATAKA** reported in Writ Petition (Crl.) No.124 of 2023 decided on 21-04-2023. Notice is issued to the respondent/Directorate of Enforcement and the matter is heard.

5. The learned counsel Sri Anish Jose Antony representing the petitioner would vehemently contend that he is ready and willing to furnish a bank guarantee to the value equivalent of the property attached and the property be permitted to be used by the petitioner, all on the strength of the order passed by the Apex Court in the case of **VEERBHADRAPPA** (*supra*). The learned counsel submits that this Court must come to the aid of the petitioner by passing an order identical to the order passed by the Apex Court.

6. *Per contra*, Sri Madhu N. Rao, learned Special Public Prosecutor representing the respondent - Directorate of Enforcement has filed his statement of objections contending that the Apex Court in the case of **VEERBHADRAPPA** (*supra*) had passed the order in the peculiar circumstances of that case. It cannot be made applicable to each and every case of attachment. Apart from the said fact, the learned counsel would contend that the order of provisional attachment under Section 5 of the Act is confirmed under Section 8 of the Act. Against the said order, the petitioner has already preferred a statutory appeal before the Appellate Tribunal. Having availed the statutory remedy, the petitioner cannot invoke the jurisdiction of this Court once already chosen to avail the said remedy. He would seek dismissal of the petition on the said score.

7. The issue now would be whether this petition merits entertainment in the teeth of the petitioner himself preferring an appeal against the order of confirmation of provisional attachment under Section 8 of the Act. The issue in such circumstances is no longer *res integra* as the Apex Court in the case of **JSW STEEL**

LIMITED v. DEPUTY DIRECTOR, DIRECTORATE OF ENFORCEMENT¹, holds as follows:

"....

33. Having heard learned Counsel for both the parties and on perusal of the records, we note that the Appellants have already invoked their statutory remedy before the Appellate Tribunal under Section 26 of the PMLA, which remains pending.

34. It is important to note that the PMLA provides a comprehensive and self-contained adjudicatory mechanism. Section 5 enables Provisional Attachment, Section 8 contemplates confirmation by the Adjudicating Authority, and Section 26 provides an appellate remedy before the Appellate Tribunal. The appellants, in the present case, have already invoked their statutory remedy of Appeal, which remains pending.

35. This Court has consistently held that constitutional or appellate jurisdiction should ordinarily not be exercised where an efficacious alternate remedy is available and is actively being pursued. Reference may be made to *Union of India v. Guwahati Carbon Limited*², which cautions against bypassing statutory forums except in cases of patent illegality or jurisdictional error.

36. We further note that it is undisputed that the ECIR registered by the ED does not name the appellants as accused persons. The charge-sheet filed by the CBI under RC 18(A)/2011/CBI/ACB/BLR also does not array them as accused, having dropped them in the supplementary report after finding no material to proceed. The complaint filed by the ED is predicated not on any independent act of laundering but on the allegation that the appellants withdrew certain sums from the attached bank accounts in violation of the PAOs,

¹ 2025 SCC OnLine SC 2150

thereby frustrating the recovery of INR 33.80 Crore, alleged to be "proceeds of crime."

37. The core issue before us is not whether the appellants' entire banking operations are tainted, but whether the specific sum of INR 33,80,87,617/- (Thirty-Three Crore Eighty Lakh Eighty-Seven Thousand Six Hundred Seventeen Rupees), representing unpaid consideration for iron ore supplied by AMC, can be treated as "proceeds of crime" and whether its withdrawal post-PAO constitutes an offence under Section 3 PMLA. The apprehension that the entire account balance constitutes proceeds of crime is misplaced, particularly when the admitted position is that payments were made and received through regular banking channels and are duly reflected in the books of account.

38. Viewed thus, the appropriate course would be to permit the statutory process to run its route to reach its logical conclusion. **Interference at this stage would prejudice issues that are squarely within the domain of the Appellate Tribunal, including whether the attached property represents "proceeds of crime" within the meaning of Section 2(1)(u) PMLA and whether the withdrawals were in violation of law.**

39. In light of these findings, we are unable to hold that the case for quashing the cognizance order or interdicting proceedings is made out. The allegations, at this stage, are confined to the recovery of the quantified amount of INR 33.80 Crore and do not extend to fastening criminal liability upon the appellants beyond that process. The apprehension of arbitrary prosecution is, therefore, misplaced.

40. Accordingly, we decline to interfere with the proceedings at this stage. The appellants shall be at liberty to pursue their statutory appeals before the Appellate Tribunal, which shall decide the same on their own merits and in accordance with law, uninfluenced by any observations contained herein above."

The Apex Court holds that the Act provides a comprehensive and self-contained adjudicatory mechanism. Section 5 of the Act enables provisional attachment, Section 8 of the Act contemplates confirmation by the Adjudicating Authority and Section 26 of the Act provides an appellate remedy before the Appellate Tribunal. The Apex Court notices that the appellants therein had already invoked the statutory remedy of appeal which remains pending. In that light, the order of confirmation of provisional attachment suffers from want of jurisdiction or patent jurisdiction as the constitutional Courts should not entertain such petitions.

8. The petitioner in the case at hand is similarly circumstanced. Against the order of confirmation of provisional attachment under Section 8 of the Act, the petitioner has preferred an appeal under Section 26 of the Act before the Tribunal. The said appeal is pending. In the light of the pendency of the appeal, the petitioner cannot now invoke the jurisdiction of this Court under Article 226 of the Constitution of India read with Section 528 of the BNSS, seeking the relief of furnishing of bank guarantee to a sum equivalent of the property that is now attached. This can be urged

before the Appellate Tribunal itself in a manner known to law. This Court has no reason to disbelieve that in the event, such a request is made before the Appellate Tribunal, the Tribunal would not pass an order in accordance with law.

9. In the light of the conduct of the petitioner in having filed an appeal and during the pendency of the appeal, wants to invoke the jurisdiction of this court as a twin remedy, I decline to entertain the petition. The writ petition thus stands rejected, *albeit*, with the aforesaid observation.

Ordered accordingly.

Sd/-
(M.NAGAPRASANNA)
JUDGE

nvj
CT:MJ