BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 06.01.2026

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THE HONOURABLE MR.JUSTICE G.K.ILANTHIRAIYAN
AND
THE HONOURABLE MS.JUSTICE R. POORNIMA

CRL.RC(MD) No.13 of 2026

Smt.Hasmitha S Patel : Petitioner/Petitioner/A12

Vs.

The Directorate of Enforcement,
Represented by its Deputy Director,
Madurai Sub Zonal Office,
Madurai.
(in ECIR/MDSZO/5/2018) : Respondent/ Respondent/Complainant

Prayer: Criminal Revision is filed under Section 438 r/w 442 of Bharatiya Nagarik Surksha Sanhita, 2023 to call for the records pertaining to the impugned order, dated 17/10/2025 in Crl.M.P No.180 of 2025 in CC No. 12/2021 passed by the II Additional District and Sessions Judge for CBI Cases, Madurai and to set aside the same and pass further or other orders.

For Petitioner : Mr.M.Dinesh Hari Sudarsan

For Respondent : Mr.K.R.Laxman
Special Public Prosecutor

O R D E R

[Order of the Court was made by R.POORNIMA, J.]

This Criminal Revision is filed against the impugned order, dated 17/10/2025 passed in Crl.MP No.180 of 2025 in CC No.12 of 2021 by the II Additional District and Sessions Judge for CBI cases, Madurai and to set aside the same.

2.The petitioner herein was arrayed as **A12** in the final report filed by the Directorate of Enforcement, Madurai, the respondent herein for the offences punishable under Section 3 of PMLA, 2002 on the ground that she had availed **Rs.75 Lakhs** towards Agricultural Crop Loan (CCCK) in the individual capacity. After availing the loan, funds were transferred to various business accounts of the group concerns where she or her family members were stake holders. Later on, the loan funds were siphoned off. The accused, thereby committed the scheduled offence and had derived proceeds of crime and thereafter, siphoned the proceeds of crime. Proceeds of crime was subsequently concealed and projected as untainted and had committed the offence of Money Laundering Act as contemplated under Section 3 of PMLA, 2002.

3.The learned counsel for the revision petitioner contended that the petitioner is an house wife by profession who is entirely dependent on her family for financial support; She has no direct or indirect involvement in any business operations, financial dealings, or banking transactions; Being a Homemaker with limited education, she does not possess knowledge of complex business practices, banking procedures or legal regulations, which further establishes her complete disconnection from the alleged financial transactions of this case.

4.The learned counsel further argued that there is no mens rea, intent, knowledge or direct involvement of the petitioner in the alleged money laundering activities. The three stage test for money laundering (1)commission of scheduled offences; (2)generation of proceeds of crime from such offence; and (3)projecting such proceeds as untainted money. None of the above stages would be established against the petitioner and she could not be prosecuted as an accused person primarily for the reason that there is no case of money-laundering act at the first instance as there is no predict offence in the instant case. It is a case of default in repaying the loans, for which the de-facto complainant at any time could proceed under the provision of SARFAESI Act and IBC, 2016. It is also argued that mechanical implication of the petitioner without any credible evidence violates the principles of natural justice and due process guaranteed under Article 21 of the Constitution of India. Further more, Article 20(1) of the Constitution of India guarantees the presumption of innocence which is violated by mechanically implicating the petitioner without any evidence.

5.The respondent filed a counter stating that the petitioner obtained Rs.**75,00,000/-** towards Agricultural Crop Loan (CCCK) in her individual capacity and the Bank Transaction reveals that the funds were transferred to various business accounts of the group concerns where the petitioner and her family members were stake holders. Later, the funds were siphoned of and thereby committed the offence under Section 3 of PMLA, 2002.

6. Heard the learned counsel on either side and perused the materials available on record.

7.The trial Court dismissed the petition by rejecting their claim that of ignorance, after availed huge loan amount and diverted the loan amount for other business activities.

8. If a petition is filed under Section 227 of the Code of Criminal Procedure seeking discharge of the accused, the Court, after hearing the submissions, shall discharge the accused if it is of the opinion that there are no sufficient grounds for proceeding against her, and shall record reasons for such discharge.

9. In the present case, it is an admitted fact that the revision petitioner availed a huge loan. The *prima facie* materials placed on record indicate that the said loan amount was not utilised for the purpose for which it was obtained. Though the petitioner filed a discharge petition, she failed to produce any material to substantiate her claim that the loan amount was utilised exclusively for agricultural activities. On the contrary, there exists *prima facie* material to show that the petitioner, by committing the scheduled offence, had diverted the proceeds of crime and subsequently concealed and projected the properties as untainted, thereby

committing an offence under Section 3 of the Prevention of Money Laundering Act. Accordingly, the discharge petition was dismissed.

10. This Court finds that there is no perversity or illegality in the impugned order. The criminal revision petition is devoid of merit and is liable to be dismissed.

11.In the result, this criminal revision is **dismissed**. However, the petitioner prayed that her appearance will be dispensed with in the criminal Court for trial. Taking into consideration of the fact that since the petitioner is a woman, her personal appearance is dispensed with unless her presence is required for framing charges and other essential purpose for the criminal trial.

[G.K.I., J.] & [R.P., J.]
06.01.2026

NCC : Yes / No
Index : Yes / No
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G.K.ILANTHIRAIYAN , J.
AND
R.POORNIMA, J.

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To,

1.The II Additional District and Sessions Judge
for CBI Cases, Madurai.

2.The Deputy Director
The Directorate of Enforcement,
Madurai Sub Zonal Office,
Madurai.

3.The Special Public Prosecutor
Madurai Bench of Madras High Court,
Madurai.

CRL.RC(MD) No.13 of 2026

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