IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HONOURABLE SMT. JUSTICE K. SUJANA

CRIMINAL PETITION No.4023 of 2026

DATE: 05.05.2026

BETWEEN:

Sandu Purnachandra Rao

.....petitioner/accused

And

The Directorate of Enforcement
Represented by Assistant Director,
Hyderabad Zonal Office,
3rd Floor, Sahakar Bhavan, 5-10-174,
Basheerbagh, Hyderabad.

.....Respondent/complainant

ORDER

This Criminal Petition is filed praying the Court to enlarge the petitioner on bail who is arrayed as accused No.4 in ECIR/HYZO/42/2022 on the file of the Directorate of Enforcement, Hyderabad, registered for the offences punishable under Sections 3 and 4 of PML Act, 2002.

2. The Brief facts of the case are that the petitioner/accused, acting as Managing Director of M/s. Sahiti Infratec Veritures India Private Limited, had from June 2019 onwards advertised a "Pre-Launch Offer" on social media for construction of a world-class residential gated community consisting of 32 floors and 10 towers over an extent of about 23 acres in Sy.Nos.343/8, 343/9, 343/11, 343/12 and 343/13 of Ameenpur Village, Ameenpur Mandal, Sangareddy District. Pursuant to such representations, the defacto complainant along with 240 other customers paid a total sum of Rs.72,81,98,000/- to the company; however, the company failed to acquire the requisite land, secure statutory permissions, deliver the promised flats, or refund the amounts received. Further, M/s. SIVIPL and other associated firms and companies were defrauded of a cumulative amount of Rs.359.54 crores under similar assurances of delivery of flats/villas which were not fulfilled.

3. Heard Sri Niranjan Reddy, learned Senior Counsel appearing for Sri Ram Reddy, learned counsel for petitioner, and Sri Narender Naik, learned Standing Counsel for respondent.

4. Learned Senior Counsel for the petitioner submitted that the petitioner, arrayed as Accused No.4 in the present ECIR under Sections 3 and 4 of the Prevention of Money Laundering Act, 2002, has been falsely implicated despite having only a limited and temporary role as a nominal Director in M/s. Sahiti Infra Ventures India Pvt. Ltd., with no involvement in collection, handling, or diversion of funds, and having resigned from the company as early as 31.08.2020, much prior to the alleged transactions. He further submitted that none of the witnesses or material on record attribute any direct role to the petitioner, and the entire case is based solely on his designation and that the petitioner has fully cooperated with the investigation, appeared on multiple occasions pursuant to summons, and that the investigation is already complete with documentary evidence in the custody of the prosecution, leaving no scope for tampering. He further submitted that continued detention since 25.08.2025 amounts to punitive pre-trial incarceration, especially when the trial is likely to be prolonged, and that the twin conditions under Section 45 of the PMLA cannot override the fundamental right to personal liberty under Article 21. He contended that the prosecution complaint was filed in a defective manner to defeat statutory bail, and that cognizance was taken without issuing mandatory notice to the petitioner. Therefore, he prayed the Court to grant bail to the petitioner by allowing this Criminal Petition.

5. On the other hand, learned Standing Counsel for the respondent–Enforcement Directorate submitted that the petitioner was lawfully arrested under Section 19 of the PMLA based on cogent material establishing his active and knowing involvement in the offence of money laundering, including generation, diversion and concealment of proceeds of crime arising from large-scale fraud exceeding Rs.359 crores involving multiple FIRs. He further submitted that the petitioner was not a nominal Director but a key managerial person heading sales and marketing, who induced homebuyers, collected funds through both banking and cash channels, and routed through accounts of his relatives and controlled entities. He contended that the stringent twin conditions under Section 45 of the PMLA are not satisfied, and the gravity and magnitude of the offence, coupled with the petitioner's conduct of making evasive statements, concealing material facts and alienating properties, create a strong likelihood of tampering with evidence and influencing witnesses if released on bail. It is also argued that the investigation has revealed substantial documentary and forensic evidence against the petitioner, his custody is neither prolonged nor punitive, and there is no change in circumstances since rejection of earlier bail applications. Therefore, he prayed the Court to dismiss the Criminal Petition.

6. In the light of the submissions made by both the learned counsel and upon perusal of the material available on record, it appears that the petitioner seeks enlargement on bail on the ground that he has been in judicial custody since 25.08.2025 and that there is no likelihood of completion of trial in the near future and that the rigours of Section 45 of the PMLA cannot override the fundamental right to personal liberty guaranteed under Article 21 of the Constitution of India, whereas, the learned Standing Counsel opposed the bail application contending that the allegations against the petitioner are not only serious in nature but pertain to a large-scale fraud exceeding Rs.359 crores involving multiple FIRs, and that the petitioner has failed to satisfy the stringent twin conditions contemplated under Section 45 of the PMLA, and hence is not entitled to bail. Admittedly, the petitioner has been in judicial custody since August, 2025. The petitioner has placed reliance upon the judgment of the Hon'ble Apex Court in **Mahesh Joshi Vs. Directorate of Enforcement[1],** wherein bail was granted in a PMLA case considering the prolonged incarceration and the unlikelihood of early completion of trial. Reliance is also placed on **V. Senthil Balaji Vs. Deputy Director, Directorate of Enforcement[2],**, wherein the Hon'ble Apex Court granted bail taking into account that the accused

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[1] 2025 SCC OnLine SC 2633
[2] 2024 SCC OnLine 2626

had been in custody for a considerable period and that the trial was not likely to conclude in the near future. Further reliance is placed on the recent judgment of the learned Sessions Judge, Hyderabad in S.C. No.883 of 2025, wherein even charges had not been framed and there was no likelihood of early completion of trial, granted bail to the accused. Having regard to the aforesaid facts and circumstances, particularly the period of incarceration of the petitioner and the unlikelihood of early conclusion of trial, this Court deems it fit to grant bail to the petitioner, subject to the following conditions:

i. The petitioner shall execute a personal bond for a sum of Rs.25,000/- (Rupees Twenty Five Thousand only), with two sureties for a like sum each to the satisfaction of the learned Metropolitan Sessions Judge-cum-Special Court under the provision of Money Laundering Act (PMLA) 2002 at Nampally, Hyderabad.

ii. The petitioner shall abide by the conditions stipulated in Section 437(3) of Cr.P.C.(presently, Section 480(3) of the BNSS).

iii. The petitioner shall deposit his passport before the Trial Court and shall not leave the jurisdiction of the Court without obtaining prior permission from the Trial Court.

iv. In the event the petitioner attempts to threaten witnesses or tamper with evidence, the respondent shall be at liberty to seek cancellation of bail before the competent Court.

7. Accordingly, the Criminal petition is allowed.

Miscellaneous applications, if any pending, shall stand closed.

K. SUJANA, J

Date: 05.05.2025
SS

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