



W.P.Nos.15465 and 15473 of 2024

W.P.Nos.15465 and 15473 of 2024

S.M.SUBRAMANIAM, J.
and
V.SIVAGNANAM, J.

(Order of the court was made by S.M.SUBRAMANIAM, J.)

The learned Special Public Prosecutor, Mr.N.Ramesh, would submit that the learned Single Judge of this Court quashed F.I.R.No.1 of 2024 registered by the Directorate of Vigilance and Anti-Corruption, Special Investigation Cell, Chennai, despite the fact that closure report has been returned by the Special Court for the cases under the provisions of the Prevention of Corruption Act in Serial.No.183/2024 for compliance and it is not represented till today. The alleged offence under the Prevention of Corruption Act was made out and based on the F.I.R. filed by the Department of Vigilance and Anti-Corruption, the Enforcement Directorate filed ECIR on 08.02.2024.

2. Knowing the fact that Enforcement Directorate instituted proceedings under PMLA, the petition under Section 482 of Cr.P.C. was filed to quash the F.I.R. itself. In the said quash proceedings,



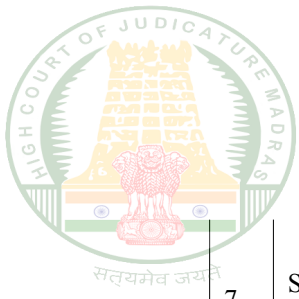
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Enforcement Directorate has not been impleaded as a party respondent. The Enforcement Directorate, during the course of investigation, conducted search operations and gathered materials which would reveal that nearly about Rs.50 crores was given as bribe to various officials, politicians and other persons. The details regarding investigation conducted by the Enforcement Directorate has been elaborated in paragraphs 5.3 to 5.4.3.3 of the counter-affidavit, which read as under:

5.3. INVESTIGATION UNDER PMLA

5.3.1 In light of the ECIR, the following premises were searched on 09.02.2024 and 10.02.2024-

| Sl. | Name | Address |
|-----|-------------------|--|
| 1 | Shri T Udayakumar | No.26 Krishna Street, T.Nagar, Chennai- 600 017. |
| 2 | Sunil Khetpalia | The Art Apartment, Second Block, Flat No.2C, Third Floor, No.28/29, Kothari Road, Nungambakkam, Chennai-34 |
| 3 | Maneesh Parmar | 6D, 6th Floor, Prince, Paradise, No.75 Jermiah Road, Vepery, Chennai-600 007. |
| 4 | Karan Sanklecha | No.53 Swami Pandaram Street, Chindathripet, Chennai- 600 002. |
| 5 | Arvind Nandagopal | No.6, Sixth Street, Rutland Gate, Nungambakkam, Chennai 34. |
| 6 | Binny Limited | 1st Floor, Doshi Towers, No 156, PH Road, Kilpauk, Chennai 600 010. |



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| | | |
|----|---|---|
| 7 | SUBRAMANIAN NEELAKANTAN | Flat 4A, Sreshta Raajeswari Apartments , 10 Balaji Nagar , 3rd Street, Royapettah, Chennai -600 014. |
| 8 | Deepak Khetpalia | FLAT, NO. 0702 , KLP, ABHINANDAN APARTMENTS, NO.1-30 , PERAMBUR, BARRACKS ROAD PATTALAM, 600012, TAMILNADU. |
| 9 | KLP Projects Pvt Ltd | No 1-30, 1st floor , no 1 Abhinandan , Perambur Barrack Road, Strahans Road, Chennai-12. |
| 10 | Landmark Housing Projects Chennai Pvt Ltd | 27, Saravana Street, T Nagar, Chennai-600017 |
| 11 | Binny Limited | 1, Cooks Road, Otteri, Perambur, Chennai, Tamil Nadu – 600012. |

5.3.2 The analysis of documents and digital devices seized during the course of Searches carried out and statements of various persons were recorded. Prima facie investigation has revealed that the Search has resulted in to gathering evidences related to the bribes being paid to the government officials/politicians and furthermore, evidence has been collected .The investigation into the case has revealed that Shri Uday Kumar, MD Landmark Group along with Shri Sunil Khetpalia and Shri Maneesh Parmar of KLP Projects Private Limited Purchased a property to an extent of 14.16 acres of land including old houses located at Perambur Barracks Road, Perambur, Chennai from M/s.Binny Limited, represented by Shri Arvind Nandagopal. The original sale agreement pegged the sale consideration to Rs 490 crores but the final agreement was revised to Rs 370 crores and investigation has revealed that a sum of Rs 120 crores was paid in cash. For the balance Rs 370 crores some amount was arranged through loan availed from M/s.Edelweiss, a NBFC Company and a part of the amount was arranged by routing the unaccounted income of the accused through a web of shell entities controlled by Shri Maneesh Parmar.

5.3.3 Time line of Abhinandan Project- During the course of searches conducted at various premises , and on scrutiny of records/ digital evidences seized

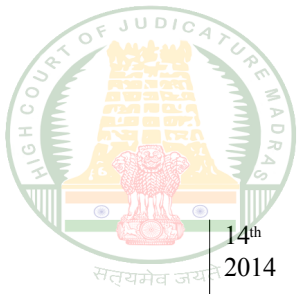


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and from statement of various persons recorded; the reconstruction of the time line of the Abhinandan project(for which the bribes were alleged to have been paid) has been done and is reproduced below: -

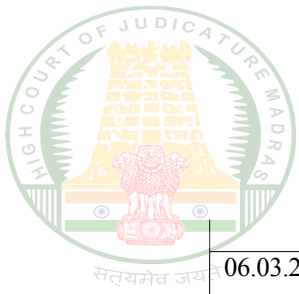
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| Date | Event |
|----------------|--|
| September 2013 | First approach by Uday Kumar to purchase the Binny mills land. |
| 17.10.2013 | <p>MoU between Binny Ltd and Landmark Housing projects Chennai Pvt Ltd regarding to sell the Schedule Property-14.16 acres of Land for the consideration of Rs. 490,00,00,000/- .</p> <p>Signed by Shri M Nandgopal on behalf of M/s. Binny Limited and Shri T Uday Kumar, MD on behalf M/s. Landmark Housing Projects Private Limited.</p> <p>Witnessed by Shri Sunil Khetpalia and T Krishnamurthy. At the time of agreement paid Rs 10 crores. Within 30 days, Rs 50 crores advance to be paid after which agreement of sale would be registered. M/s. Binny Limited shall execute and register a General Power of attorney in favour of M/s. Landmark Housing Projects Private Limited empowering agents to deal with the schedule property including vacating the 135 occupants from the schedule property, developing, mortgaging, etc.</p> |
| 17.10.2013 | Sale Advance of Rs 10 crores paid by M/s. Landmark Housing Projects Private Limited to M/s. Binny Limited way of DD bearing no. 002929 dated 17.10.2013 drawn on Axis Bank Limited, Tenyapeth. |
| 20.11.2013 | <p>Registered on 06.12.2013</p> <p>Agreement of Sale Binny Ltd and Landmark housing projects Chennai Pvt Ltd. Signed by T Uday Kumar and Arvind Nandgopal. Agreement witnessed by T Krishnamurthy and K Balachandar. Sale consideration is Rs 486.53 crores. Payment made-</p> <p>Instrument no.Date AmountBank on which drawn DD No. 0029217.10.201310 croresAxis Bank, Tenyapeth DD No. 00296430.10.201311 croresAxis Bank, T Nagar DD No. 00296530.10.20131.50 crores Axis Bank, T Nagar DD No. 02924730.10.20132.50 croresStandard Chartered Bank RTGS 05.11.20131.00 crores RTGS06.11.20132.00 crores RTGS08.11.20131.00 crores 29 crores</p> <p>Balance amount to be paid is Rs 457.53 crores and be paid at the time of registration of sale deed. As per document the sale deed registered on 06.12.2013.</p> |



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| | |
|------------------------------|--|
| 14 th April, 2014 | Pre-launch of Abhinandan Project. On the day of the pre-launch around 300 pre-bookings, amounting to around Rs 40 crores were done. Out of these around Rs 27 crores was in cash. |
| September 2014 | Uday kumar and his wife appointed as Director in the Firm Landmark Barrack Housing Projects pvt limited. |
| October 2014 | An agreement was executed between Binny Limited and M/s Landmark barracks projects Private Limited, a Special purpose Vehicle that was incorporated with me and wife as directors for the project. |
| 01.11.2014 | Letter send by M/s. Landmark Housing Projects Private Limited to M/s. Binny Limited, inter alia stated that they have rehabilitated the occupants and incurred an expense of Rs 12 crores and remitted Rs 16 crores. This amount is over the amount of 60 crores paid. Term sheet signed with Edelweiss for Rs 220 crores loan. Request for discount of Rs 150 crores and revising the purchase consideration to Rs 340 crores, Already paid 76.41 crores. Requested for execution of agreement, GPA for further dealing and getting approvals. |
| December 2014 | Payment of around Rs 60 crores as advance which included Rs 40 crores borrowed from Shri Sunil Khetpalia and Maneesh Parmar |
| 31.12.2014 | General Power of Attorney for transferring and assigning the rights of the land of 14.63 acres for development purpose to Shri T Uday Kumar and Shri K. Manish Kumar Jain (alias Maneesh Parmar) |
| 31.12.2014 | Sale agreement entered between M/s Binny Limited and M/s. Land Mark Barracks Projects Private Limited (Original agreement made with M/s. Land Mark Housing Projects Chennai Private Limited) to sells the schedule property for the consideration of Rs. 370 crores Signed by Shri Arvind Nangopal and T Uday Kumar. Witnesses by Santosh Kumar and Thiyagarajan. The original sale agreement bearing no. 4806 of 2013 dated 20.11.2013 with Land Mark Housing Project Chennai Private Limited registered at SRO Purasaiwakkam was cancelled on 31.12.2014 -cancellation deed document number 5599 of 2014. However, the payments made by Land Mark Housing Projects Chennai Private Limited stands appropriate as payment in this agreement. |
| | M/s Edelweiss Real Estate fund, Mumbai sanctioned a loan of Rs 365 Crores which was disbursed to Binny limited |
| 26.02.2015 | Applied for Planning permit from CMDA in the name of M/s Landmark Barracks Projects Private Limited |
| 26.06.2015 | Agreement between Binny Ltd (as Owner) and SPR Construction Pvt Ltd (as Developer) related to construction |
| 21.12.2015 | Appointment of Sunil Khetpalia and Maneesh Parmar as additional directors. |
| 16.12.2015 | Udaykumar and his wife forced to exit the company, wherein both were the Directors. |
| December 2015 | Sunil Khetpalia and Maneesh Parmar changed the company name to KLP Projects Private Limited. |
| 05.03.2018 | Unattested deed of Hypothecation was executed between Binny Limited and Vistra ITCL(India) Ltd |
| 06.03.2018 | Escrow Agreement amongst SPR Construction Pvt Ltd, Binny Limited, Vistra |



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| | ITCL(India) Ltd and HDFC Bank Ltd |
|------------|---|
| 06.03.2018 | Deed of guarantee by Binny Limited(as guarantor) in favour of Vistra ITCL(India) Ltd(as the debenture trustee) |
| 26.03.2018 | Unattested deed of Hypothecation was made by Binny Limited in favour of JM Financial Credit Solutions Limited |
| 26.03.2018 | Loan agreement of up to Rs. 31,00,00,000/- was made between SPR Management Services Pvt Ltd(as the borrower) and JM Financial Credit Solutions Limited(as the lender) |
| 27.03.2018 | Deed of Mortgage without possession was made between Binny Limited, SPR Construction Pvt Ltd, SPR Management Services Pvt Ltd |
| 28.03.2018 | M/s Binny Limited sells the schedule property for the consideration of Rs. 22,18,00,000/- to M/s Life Style Housing & Infrastructure |
| 20.09.2018 | Approval received from CMDA |
| 01.10.2018 | Building Permit granted by Chennai Corporation |

5.4. USE OF SHELL ENTITIES FOR GENERATING UNACCOUNTED CASH. HENCE GENERATION OF RS 50 CRORES CASH AS ALLEGED IN THE FIR WAS WELL WITHIN THE AMBIT AND REACH OF MANEESH PARMAR AND SUNIL KHETPALIA

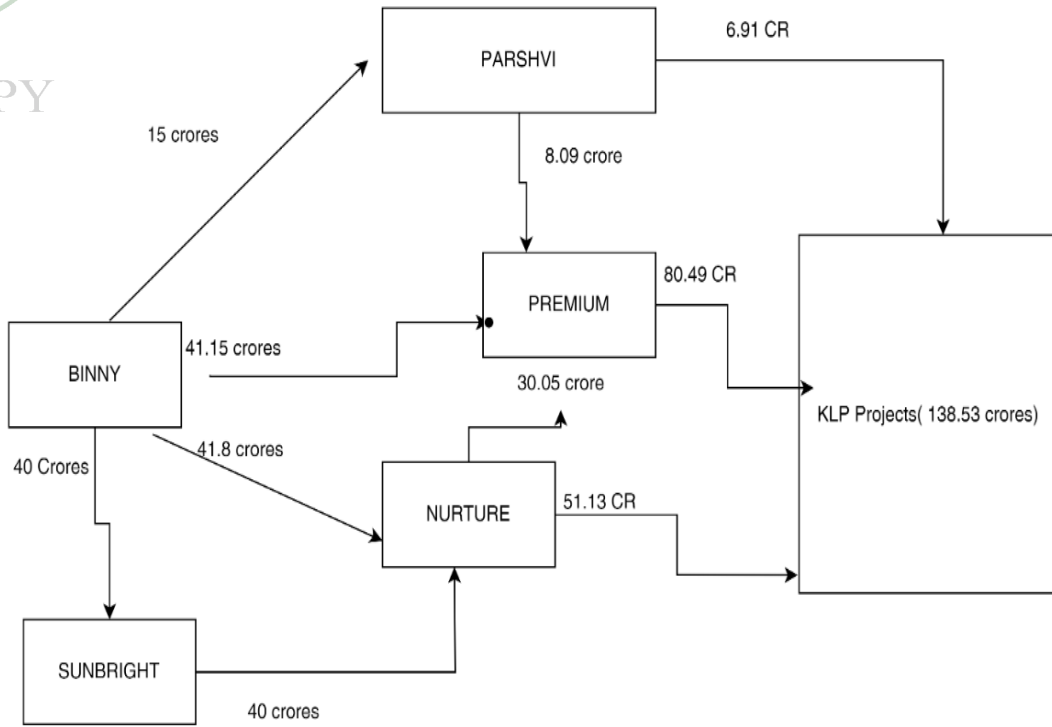
5.4.1 The bank trail analysis done has revealed use of shell entities in generation of unaccounted cash as under-

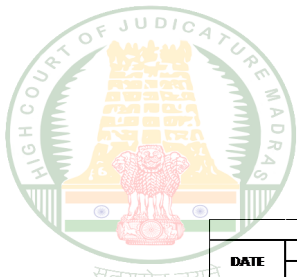


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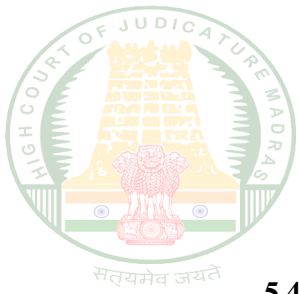


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| Detailed Fund Flow Analysis- from various shell companies to M/s KLP Projects Pvt Ltd | | | | | | | | | |
|---|-----------------|-----------|-------------|------------------|-----------|------------------|-----------------|------------------|-------------|
| DATE | PARSHVI ACCOUNT | | | NURTURE ACCOUNT | | | PREMIUM ACCOUNT | | |
| | Source | | Destination | Source | | Destination | Source | | Destination |
| 16-03-2016 | PREMIUM | 6550000 | | GLOBAL IMPEX | 7240000 | | | | |
| 19-03-2016 | | | | | | KLP | 7250000 | | |
| 19-03-2016 | | | KLP | 6650000 | | | | | |
| 29-03-2016 | | | | MASS INT | 9800000 | KLP | 9800000 | | |
| 31-03-2016 | GLOBAL IMP | 100503809 | KLP | 90000000 | | | | | |
| 31-03-2016 | | | KLP | 63000000 | | | | | |
| 31-03-2016 | PARMAR DEV | 7500000 | | | | | | | |
| 31-03-2016 | PARMAR SHIELT | 22345000 | | | | | | | |
| 31-03-2016 | | | | GLOBAL IMPEX | 105104486 | KLP | 95000000 | | |
| 31-03-2016 | | | | GI EXIM | 62179666 | KLP | 52000000 | | |
| 31-03-2016 | | | | PARMAR DEV | 158000000 | | | | |
| 02-04-2016 | | | KLP | 52500000 | | | | | |
| 02-04-2016 | | | | | | KLP | 127500000 | | |
| 07-04-2016 | | | | | | KLP | 2300000 | | |
| 15-04-2016 | | | | LANDMARK | 6960299 | KLP | 6900000 | | |
| 20-04-2016 | | | | LANDMARK | 32500000 | | | | |
| 25-04-2016 | PARMAR DEV | 1624988 | | | | | | | |
| 27-04-2016 | | | | | | KLP | 11500000 | | |
| 05-05-2016 | PARMAR DEV | 2490481 | | | | | | | |
| 06-05-2016 | PARMAR DEV | 6000000 | KLP | 10000000 | | | | | |
| 07-05-2016 | RAGHAVENDRA | 2000000 | | | | | | | |
| 17-05-2016 | MASS INT | 3000000 | KLP | 5000000 | | | | | |
| 21-05-2016 | | | | PARMAR DEV | 1000000 | | | | |
| 21-05-2016 | | | | MASS INT | 4000000 | KLP | 5000000 | | |
| 23-05-2016 | | | | PARMAR DEV | 2000000 | KLP | 2000000 | | |
| 26-05-2016 | MASS INT | 2795000 | KLP | 2800000 | | | | | |
| 30-05-2016 | MASS INT | 1500000 | KLP | 1500000 | | | | | |
| 02-08-2016 | | | | YESHWANTH T | 10000000 | KLP | 10000000 | | |
| 06-07-2016 | MASS INT | 2500000 | KLP | 2600000 | | | | | |
| 06-07-2016 | LANDMARK | 3561810 | KLP | 3550000 | | | | | |
| 20-08-2016 | BINNY | 10000000 | | | | | | | |
| 01-09-2016 | HDF CHENNAI | 30000000 | | | | | | | |
| 02-09-2016 | HDF CHENNAI | 30000000 | | | | | | | |
| 03-09-2016 | | | KLP | 10000000 | | | | | |
| 07-09-2016 | | | | HDF CHENNAI | 40000000 | | | | |
| 07-09-2016 | | | | BINNY | 30000000 | | | | |
| 09-09-2016 | | | | BINNY | 30000000 | PREMIUM | 50000000 | NURTURE | 50000000 |
| 09-09-2016 | | | | HDF CHN | 60000000 | | | | |
| 12-09-2016 | | | | HDF CHN | 30000000 | PREMIUM | 70000000 | NURTURE | 70000000 |
| 12-09-2016 | | | | HDF CHN | 30000000 | PREMIUM | 49500000 | NURTURE | 49500000 |
| 15-09-2016 | | | | | | | | PARSHVI | 58500000 |
| 15-09-2016 | | | | | | PREMIUM | 57400000 | NURTURE | 57400000 |
| 16-09-2016 | | | | BINNY | 100000000 | | | | |
| 21-09-2016 | | | | | | PREMIUM | 57980000 | NURTURE | 57980000 |
| 23-09-2016 | | | | | | PREMIUM | 42975000 | NURTURE | 42975000 |
| 26-09-2016 | | | | | | | | | KLP |
| 28-09-2016 | BINNY | 70000000 | | | | | | | |
| 29-09-2016 | BINNY | 70000000 | | | | | | | |
| 30-09-2016 | | | | | | | | | 73400000 |
| 01-10-2016 | BINNY | 70000000 | PREMIUM | 60000000 | | | | | 60300000 |
| 03-10-2016 | | | PREMIUM | 83000000 | | | | | 82500000 |
| 04-10-2016 | | | PREMIUM | 37500000 | | | | | 37200000 |
| 15-10-2016 | | | | CLOSURE TD | 70327882 | PREMIUM | 70000000 | | |
| 25-10-2016 | | | | | | PREMIUM | 5000000 | NURTURE | 5000000 |
| 25-10-2016 | | | PREMIUM | 10600000 | | | | PARSHVI | 10600000 |
| 25-10-2016 | | | | | | | | BINNY | 100000000 |
| 01-11-2016 | | | | | | | | | 20000000 |
| 08-11-2016 | | | | | | | | BINNY | 50000000 |
| 11-11-2016 | | | | | | | | | 130000000 |
| 25-05-2017 | | | | | | | | KLP | 10000000 |
| Total amt to KLP | | | A | 247600000 | B | 329250000 | C | 804950698 | |
| Grand Total of amount to KLP Projects Pvt Ltd (A+B+C) = 1381800698/- | | | | | | | | | |

5.4.2. The fact that the shell entities were used in generation of cash and these companies were shell entities controlled by Shri Maneesh Parmar and Shri Sunil Khetpalia, as indicated in the above bank trailing and details mentioned above, were corroborated through the statements recorded during Search and post Search.-



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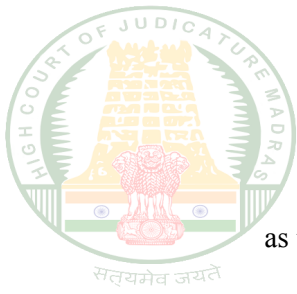
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5.4.2.1. Shri Sunil Khetpalia, in his statement dated 09.02.2024 recorded under section 17 of PMLA, 2002 has accepted that these companies are shell companies- Parshiv Global Private Limited, Nurture Traders Private Limited and Premium Steel and Alloys Private Limited were controlled by Shri Manish Parmar, who gave unsecured loans to the extent of Rs 138.53 crores for the said Abhinandan Projects- M/s KLP Projects Private Limited.

5.4.2.2 Shri Maneesh Parmar, in his statement dated 10.02.2024 recorded under section 17 of PMLA, 2002, inter alia i.r.o of Rs 138.53 crores routed through this shell companies , stated that the said monies were received as 'on-money' from the sale of flats at Abhinandan Projects from various customers (approx. 450 customers).

5.4.2.3 Shri Uday Kumar in his statement dated 03.06.2024 recorded under section 50 of PMLA, 2002 has stated inter alia i.r.o of Rs 138.53 crores routed through this shell companies , stated that these companies are shell entities floated and controlled by Maneesh through Bhawarlal Jain, his brother; that these firms were used to launder the black money generated by Sunil Khetpalia and Maneesh Parmar; that sometimes when he needed capital Shri Maneesh has used these companies to provide loans to me; that he never have met any of the Directors of the abovementioned companies and as per my knowledge Shri Maneesh controls the above firms.

5.4.2.4 Shri Uday Kumar in his statement dated 03.06.2024 recorded under section 50 of PMLA, 2002 was asked to explain and comment in respect of credit and debits done in bank account bearing number 913020024261459 held by Landmark Housing Projects Chennai Private Limited and further transferred to various entities,



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as tabulated below-

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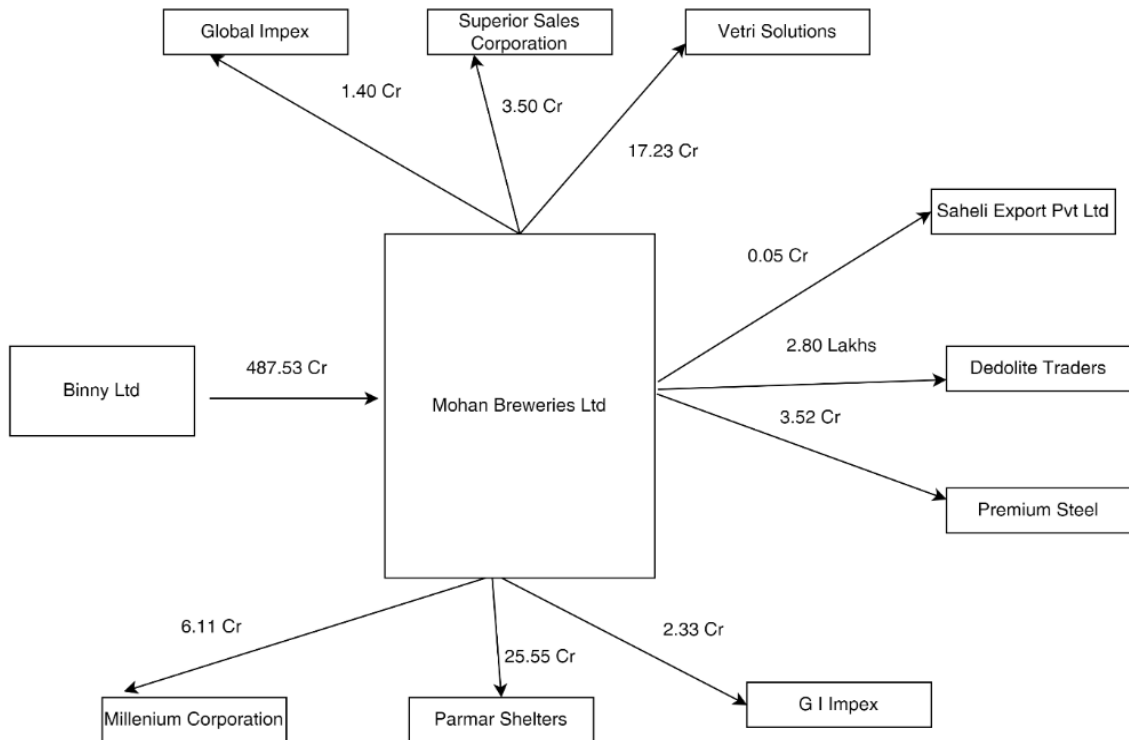
| TRAN_DATE | CHQNO | PARTICULARS | DR | CR | BAL | SOL |
|------------|-------|--|----------|-----------|-------------|------|
| 03-01-2014 | 17149 | BRN-RTGS-UTIBH14003018144-PARMAR SHELTERS- | 20000000 | | 21110487.92 | 1374 |
| 03-02-2014 | 17163 | BRN-RTGS-UTIBH14034055520-VARSHA- | 29000000 | | 71562132.32 | 1374 |
| 21-04-2014 | 4289 | TO MECKON TRADING CO | 13000000 | | 136920729.2 | 1374 |
| 09-05-2014 | 36657 | VETRI SOLUTIONS | 17500000 | | 132164111.8 | 1374 |
| 31-10-2014 | 36493 | BRN-RTGS-UTIBH14304037137-SHOBHA SUNIL KH- | 25000000 | | 90830107.54 | 1374 |
| 27-10-2015 | 60453 | BRN-RTGS-UTIBH15300013657-ANKUSH TALEDA- | 24300000 | | 2132428.93 | 1374 |
| 27-10-2015 | 60458 | BRN-RTGS-UTIBH15300024110-INDRA KAWAR BAI- | 23666110 | | 2716318.93 | 1374 |
| 27-10-2015 | 60459 | TO SUNIL KHETPALIA | 24300000 | | 2082428.93 | 1374 |
| 28-10-2015 | 60465 | BRN-RTGS-UTIBH15301050277-GLOBAL IMPEX- | 24400000 | | 963548.93 | 1374 |
| 28-10-2015 | 60466 | BRN-RTGS-UTIBH15301057536-G I EXIM PVT LT- | 7744822 | | 31081756.93 | 1374 |
| 28-10-2015 | 60467 | TO PARMAR DEVELOPERS & PROPERTIES PVT LTD | 8892310 | | 22189446.93 | 1374 |
| 20-01-2016 | 60524 | TO KLP PROJECTS PRIVATE LIMITED | 29500000 | | 50159027.93 | 1374 |
| 08-03-2016 | 60724 | BRN-RTGS-UTIBH16068079678-S NEELAKANTAN- | 28200000 | | 2522668.43 | 1374 |
| 15-04-2016 | 72846 | TO NURTURE TRADERS PVT LTD | 6960299 | | 54793.93 | 1374 |
| 26-10-2015 | - | MASS INTERNATIONAL | | 5200000 | 26540828.93 | 424 |
| 09-12-2014 | - | VUJAY SALES CORPORATION | | 6050000 | 6153397.58 | 424 |
| 30-01-2014 | - | VETRI SOLUTIONS | | 9700000 | 72796544.32 | 424 |
| 30-01-2014 | - | MECKON TRADING CO | | 25050000 | 63096544.32 | 424 |
| 26-03-2014 | - | RTGS/JAKAH14085042563/SHOBHA SUNIL KHETPALIA | | 10000000 | 10068044.96 | 1541 |
| 06-05-2014 | - | RTGS/JAKAH14126017730/ANKUSH TALEDA | | 30000000 | 41916509.22 | 744 |
| 06-05-2014 | - | RTGS/JAKAH14126017742/INDRA KAWAR BAI | | 30000000 | 81916509.22 | 9 |
| 25-08-2014 | - | RTGS/CORPH14237004096/SUNIL KHETPALIA | | 100000000 | 100042435.8 | 873 |
| 28-10-2014 | - | SUPPERIOR SALES CORPORATION | | 10500000 | 10543755.54 | 424 |
| 03-11-2014 | - | SYSTEMATIC TRADING COMPANY | | 9495000 | 204871948.5 | 424 |
| 08-03-2016 | - | NURTURE TRADERS PVT LTD | | 29500000 | 31336983.43 | 424 |

Shri Uday Kumar in respect of above amounts transacted stated that firms controlled and operated by either Shri Sunil Khetpalia and Shri Maneesh Parmar and he used these transaction to generate cash with help of these persons. With regards to the quantum of cash received till date when Shri Uday Kumar was Director for sale of flat in Abhinandan Project; Shri Uday Kumar in his statement dated 03.06.2024, inter alia stated that a total of Rs 40 crores was collected in cash till December 2015 and He had received Rs 20 Crores of the total corpus and the balance amount



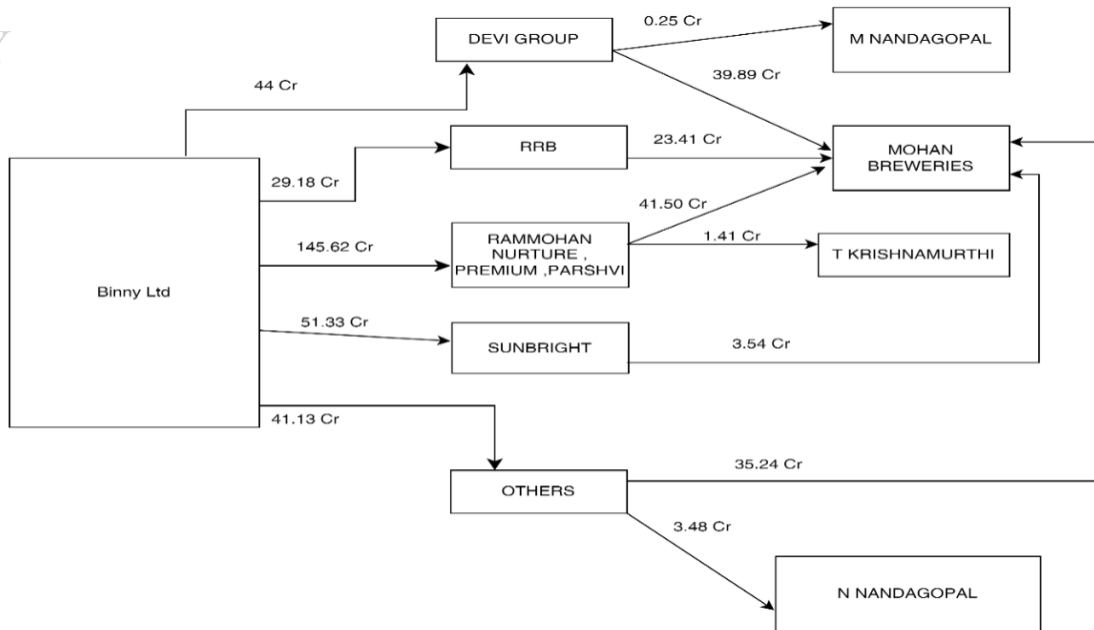
of cash was received by Maneesh Parmar and Sunil Khetpalia and kept with them.

5.4.2.5 Shri Arvind Nandgopal of M/s. Binny Limited, inter alia, in his statement dated 04.06.2024 recorded under section 50 of PMLA, 2002 that Shri Maneesh Parmar had operated web of Shell Companies floated by him and the names of some of the companies are – Nurture Traders Pvt Ltd, Parshvi Global , Premium Steel and Alloys , Superior sales Corporation, global Impex, GI Exim, Mass International, Vetri solutions , Systematic Trading, Vijay Sales, Meckon Trading Company; that through these companies, cash was generated by Shri Maneesh Parmar. The flowchart representing the money trail of amounts routed by Binny Limited through the shell entities controlled by Maneesh Parmar for unaccounted cash generation as stated by Arvind Nandagopal in his voluntary statement is reproduced below-





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5.4.2.6 Shri Uday Kumar in his statement dated 03.04.2024 recorded under Section 50, PMLA, 2002 inter alia, has stated in relation to the revised sale agreement wherein the sale value was reduced by Rs 120 crores; that the sale agreement was revised from Rs 490 crores to Rs 370 crores by Maneesh Parmar , Sunil Khetpalia and Binny Limited; that on being asked for the reasons for the sale consideration to be reduced drastically by Rs 120 crores, he stated that during the Income Tax Search, all related parties including Shri M Nandagopal and his son Shri Arvind Nandagopal, Shri Sunil Khetpalia, Shri Maneesh Parmar and he were confronted with the question and all these persons have accepted that difference amount of Rs 120 crores was paid in cash and therefore the cost was reduced to 370 crores from Rs 490 crores.

5.4.2.7 Shri Uday Kumar, in his statement dated 03.06.2024, has inter alia stated in response to question posed regarding his exit from his company M/s landmark Barracks project private limited that he was asked to repay entire loan amounting to



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Rs 40 crores, which he had taken from them failing which he and his wife were asked to quit the company ;that Maneesh Parmar and Sunil Khetpalia threatened him by using their political clout and he was brow beaten to transfer his shares to M/s Parmar Developers and Properties Private Limited(company of Maneesh Parmar) and Sunil Khetpalia.

5.4.3 APART FROM ABOVE, SHRI MANEESH PARMAR AND SHRI SUNIL KHETPALIA WERE ALSO INVOLVED IN MONEY LAUNDERING ACTIVITY-

5.4.3.1 Investigation also revealed a complex money laundering scheme totalling INR 280 Crore facilitated through the Mauritius route. Mr. S. Neelakantan played a pivotal role in the laundering and layering process, ingeniously orchestrating a round-tripping scenario through a sham Mauritian entity, Pacatolous Investments Limited. The ill-gotten gains were ultimately utilized to acquire a property in MRC Nagar, Chennai, followed by a convoluted process of siphoning funds through a labyrinth of shell entities. The flowchart is depicted below.



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Dubai Based Entities

1. Adelaide Global General Trading Limited
2. Alchemy Global Trading LLC
3. Cosmo Impex FZE
4. Hira Exim FZE
5. Huge Shamrock Limited
6. Ridhi Sidhi General Trading LLC
7. Sky Tradex FZE

BVI Based Entities

- M/s Silver Premium Enterprises Limited,
- M/s Rosalie Holdings Limited
- M/s BHS Holdings Limited

Multiple Layering Entities through which funds were routed.



The said land was purchased in the name of Aadhi Enterprises Private Limited, wherein Shri Maneesh Parmar was director.

5.4.3.2 For further investigation purpose, Egmont request has been sent requesting details regarding the following companies which were used for round tripping of money to Aadhi Enterprises as well as other unidentified companies through which money was layered. -

Adelaide Global General Trading Limited

Alchemy Global Trading LLC

Cosmo Impex FZE

Hira Exim FZE

Huge Shamrock Limited

Ridhi Sidhi General trading LLC

5.4.3.3 Conclusion- From the evidence gathered and narrated above it is evident

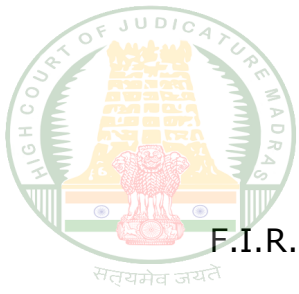


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that Maneesh Parmar and Sunil Khetpalia were involved in generation of unaccounted cash through web of shell companies and foreign entities also. Generation of Rs 50 crores to be paid as bribe in cash as alleged in the FIR was a child's play to them and within their ambit. The investigation has revealed that they were power brokers who were Liaoning with Politicians of different hues to wield political clout and generate their cult.

3. The learned Special Public Prosecutor would submit that the investigation was conducted based on the first information report filed by the Directorate of Vigilance and Anti-Corruption. He would submit that since the quashing of F.I.R. by the learned Single Judge of this Court is opined as not in consonance with legal principles by the Enforcement Directorate, appropriate actions are initiated to approach the Hon'ble Supreme Court of India by seeking leave. The said actions initiated are now pending for consideration before the Director of Enforcement at New Delhi and swift actions will be initiated.

4. This Court has gone through the materials placed and certain facts as narrated are alarming and large scale corrupt activities of this nature cannot be allowed to be buried by merely quashing the



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F.I.R. and the truth behind the entire allegations resulting in commission of crime have to be unearthed by conducting proper investigation. Since the Enforcement Directorate has initiated action to file an SLP against the order of the learned Single Judge quashing the F.I.R., the present proceedings need to be kept pending till such time the Hon'ble Supreme Court considers the issue relating to quashing of F.I.R.

5. The recent trend amongst the litigants to escape from the clutches of PMLA proceedings are that, the schedule offence is challenged and on certain technical grounds if it is quashed, simultaneously they are seeking exoneration from the proceedings initiated under PMLA. Question arises, quashing of an FIR on certain technical grounds and not on merits would be a ground to exonerate a person from PMLA proceedings or not with reference to the legal principles laid down in **Vijay Madanlal's** case is to be considered. In this context, paragraphs 281, 282, 283 and 284 of the judgment in **Vijay Madanlal Choudhary vs. Union of India**, reported in **(2022) SCC Online SC 929**, are all paramount importance and it requires deeper analysis in the context of the concluding paragraph 467(v)(d)



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in the said judgment. In **Vijay Madanlal**'s case, the Supreme Court upheld the constitutional validity of various provisions under PMLA. However, application of legal principles laid down in **Vijay Madanlal**'s case depends on the facts and circumstances of each case. The legal principles cannot be applied bluntly de hors the facts placed before the Court concerned. Thus, facts play a pivotal role for application of legal principles. In this context, each and every quash of a schedule offence cannot be construed as quashment on merits. If the proceedings are instituted already under PMLA during the existence of schedule offence and investigations are independently conducted by Enforcement Directorate and chargesheet is filed, then the judgment in **Vijay Madanlal** says, the actions under PMLA is stand alone process. Under those circumstances, the offence under PMLA cannot be said to be washed away. The initiation under PMLA is thus based on the schedule offence and if such schedule offence is quashed or the accused is discharged on merits, then the PMLA proceedings also is liable to be quashed. The distinction of quashing of FIR on technical grounds cannot be compared with the quashment of an FIR on merits or discharging a person on merits in a schedule offence. In this regard, a large analysis is required with reference to



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the legal principles settled by the Hon'ble Supreme Court of India. It is not as if every PMLA proceedings is to be quashed blanketly if the FIR in schedule offence is quashed. These aspects require further consideration from the hands of this Court and the application of legal principles are also necessarily to be considered.

6. Yet another circumstance needs to be considered is that the schedule offence is challenged by the accused persons without even impleading the Enforcement Directorate and the Enforcement Directorate had no opportunity to defend their case or to establish the distinct circumstances and factors with reference to the offence established under the provisions of PMLA. This also requires further consideration.

7. In the present case, since steps are taken by the Enforcement Directorate through the Director of Enforcement to file an SLP against the order of the learned Single Judge quashing the F.I.R., the present writ petitions are to be adjourned for some time awaiting results in respect of the actions taken by the Enforcement



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Directorate. The Director of Enforcement is directed to expedite the case in public interest.

Post the petitions after four weeks.

(S.M.S., J.) (V.S.G., J.)
21.08.2024

sra



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S.M.SUBRAMANIAM, J.

and

V.SIVAGNANAM,J.

(sra)

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21.08.2024