

**IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI
(SPECIAL ORIGINAL JURISDICTION)**

**TUESDAY, THE TWELFTH DAY OF AUGUST
TWO THOUSAND AND TWENTY FIVE**

:PRESENT:

THE HONOURABLE SMT JUSTICE SUMATHI JAGADAM

WRIT PETITION NO: 20814 OF 2025



Between:

1. M/s KVR EXIM PVT LTD, Represented by its Director, Sri Kotha Venkata Rao, No.15-171/1, Cheepurupalli Road, Rajam, Srikakulam, Andhra Pradesh-532127.
2. Kotha Venkata Rao, S/o.Late Sri Satyanarayana, Aged 65 years, H.No.15-171/1, Cheepurupalli Road, Rajam, Srikakulam, Andhra Pradesh-532127.
3. Bonu Thirupathi Naidu, S/o.Late Sri Rama Swamy, Aged 62 years, D.No. 1-140, Via Rajam, Vommi Post Therlam Mandal, Srikakulam, Andhra Pradesh State.
4. Kolli Yeruku Naidu, S/o.Late Sri Kolli Ramulu, Aged 56 years, 5-172, Adarsh Nagar, Gopalapuram Road, Near MRP Colony, Rajam, Vizianagaram, Andhra Pradesh State-532127.
5. Sri Lakshmi Srinivasa Jute Mills Private Limited, Represented by its Managing Director Kotha Venkat Rao, H.No. 15-171/1, Cheepurupalli Road, Rajam, Srikakulam, Andhra Pradesh-532127.
6. Vummidi Harika, W/o.Vummidi Barath, Aged 40 years. New No.29, Old No. 15, Neelakanta Mehta Street, Thyagarayanagar, Cheenai, Tamil Nadu-600017.
7. Pyda Venkata Rama Lalith Ranjith, S/o.Pyda Krishna Mohan, aged 43 years, H.No.10-28-2/59, Flat No.512, MVV and MKS Royal Gardens, Facor Layout, Ramnagar Maharanipecta, Visakhapatnam, Andhra Pradesh State-530002.

8. Kotha Ratna Kumari, W/o.Kotha Venkata Rao, Aged 60 years, H.No.15-171/1, Cheepurupalli Road, Rajam, Srikakulam, Andhra Pradesh State-532127.
9. Pyda Swapna, W/o.Pyda Venkata Rama Lalith Ranjith, Aged 42 years, H.No. 10-28-2/59, Flat No.512, MW and MKS Royal Gardens, Facor Layout, Ramnagar, Maharanipeta, Visakhapatnam, Andhra Pradesh State-530002.

...Petitioners

AND

1. The Union of India, Ministry of Finance Revenue Department, New-Delhi.
2. The Enforcement Directorate (ED), Zonal Office, Represented by its Joint Director, Government of India, Ministry of Finance, Situated at 1st and 2nd Floor, MTNL Building, Jawaharlal Nehru Marg, New Delhi-110002.
3. The Directorate of Enforcement, Represented by its Assistant Director, Government of India, Ministry of Finance, situated at D.No. 1-83-47, Plot No.HIG-244 Sector-4, MVP Colony, Visakhapatnam-530017.

...Respondents

4. The Central Bank of India, rep by its Assistant General Manager J.K. Centre, Seethammamet Branch, Visakhapatnam - 530016

...Respondent/Proposed Respondent No.4
(R4 IS IMPEADED AS PER COURT ORDER DATED 12.08.2025
VIDE ORDER PASSED IN IA NO. 3 OF 2025.)

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a Writ of Mandamus or any other appropriate Writ, order or direction declaring the action of respondents more particularly the 3rd respondent herein in registering a Complaint vide its Ref No.ECIR No.VKSZO/04/2021 dated 19.03.2021 and filing Charge Sheet by arraying the Petitioners names only as Accused Nos.1 to 9 for the alleged Offences of

Sections 44 and 45 of Prevention of Money Laundering Act, 2002(PMLA) much later to complete settlement of issue and issuance of NO DUES CERTIFICATE dated 15.12.2020 under Compromise Proposal by the competent authority, i.e., by the Assistant General Manager, Central Bank of India, J.K.Centre, Seethammapet, Visakhapatnam Branch addressing to 2nd Petitioner herein, even after noticing the fact by 3rd Respondent during investigation, as illegal, arbitrary and violative of principles of natural justice, etc.,and consequently to quash the Proceedings of 3rd Respondent bearing Ref No.ECIR No.VKSZO/04/2021 dated 19.03.2021 and resultant Charge Sheet thereafter, pending on the file of the 1st Additional District Judge cum Special Court For PMLA Cases Under the Prevention of Money Laundering Act(PMLA), 2002 at Visakhapatnam, vide PMLA S.C.M.U.No.6 of 2025 as abuse of process of law.

IA NO: 2 OF 2025

Petition under Section 151 of CPC is filed praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to grant stay of all further proceedings in PMLA S.C.M.U.No.6 of 2025 on the file of 1st Additional District Judge-cum- Special Court For PMLA Cases under the Prevention of Money Laundering Act (PMLA), 2002, at Visakhapatnam, Pending disposal of WP 20814 of 2025, on the file of the High Court.

The Petition coming on for hearing, upon perusing the Petition and the affidavit filed in support thereof and upon hearing the arguments of M/s GVVSU SUBRAHMANYAM Advocate for the Petitioners, and of ADDITIONAL SOLICITOR GENERAL OF INDIA, for the Respondent Nos.1 & 3, M/s JOSYULA BHASKARA RAO, Standing Counsel for the Respondent No.2, the Court made the following

ORDER:

Learned Senior Counsel appearing for the petitioners submits that the petitioners have availed loan from the 4th respondent – Bank in the

year 2014 and loan accounts were declared as Non Performing Assets. The petitioners have applied for OTS on 13.04.2016. Thereafter, the Bank has sent another letter offering Special OTS Scheme 2020-21 of Non Performing Assets of loan amount and availed benefit of special OTS Scheme. In lieu of compromise, the 4th respondent – Bank issued No Due Certificate on 15.12.2023.

Learned Senior Counsel further submits that though the loan accounts were closed in the year 2021, the 3rd respondent, for the reasons best known, has initiated proceedings in Ref.No.ECIR No.VKSZO/04/2021, dated 19.03.2021. Much later point of time, the petitioner's settlement with the 4th respondent – Bank, the charge sheet is already filed and numbered as S.C.M.U.No.6 of 2025. The learned counsel for the petitioner by relying on Para Nos.34 and 35 of the judgment passed by the Hon'ble Supreme Court in K. Bharathi Devi & Another Vs. State of Telangana & Another, reported in MANU/SC/1083/2024, wherein it was held that since the dispute was settled between the petitioners and the 4th respondent – Bank, initiation of proceedings against the petitioners is remote and bleak, and sought for dispensing the presence of the petitioners.

In view of the above, there shall be an interim direction to the respondents to dispense with the presence of the petitioners in PMLA S.C.M.U.No.6 of 2025 on the file of the I Additional District Judge-Cum-Special Court for PMLA Cases under the Prevention of Money Laundering Act (PMLA), 2002, Visakhapatnam for the present and the petitioners shall appear before the respondents as and when their presence is required.

Sd/- K.TATA RAO
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

For

To,

1. The Union of India, Ministry of Finance Revenue Department, New-Delhi.
2. The Joint Director, Enforcement Directorate (ED), Zonal Office, Government of India, Ministry of Finance, Situated at 1st and 2nd Floor, MTNL Building, Jawaharlal Nehru Marg, New Delhi-110002.
3. The Directorate of Enforcement, Represented by its Assistant Director, Government of India, Ministry of Finance, situated at D.No. 1-83-47, Plot No.HIG-244 Sector-4, MVP Colony, Visakhapatnam-530017.
4. The Assistant General Manager, Central Bank of India, J.K. Centre, Seethammamet Branch, Visakhapatnam - 530016 **(Addressees 1 to 4 by RPAD)**
5. One CC to SRI GVVSR SUBRAHMANYAM, Advocate [OPUC]
6. One CC to M/s JOSYULA BHASKARA RAO, Standing Counsel [OPUC]
7. One CC to ADDITIONAL SOLICITOR GENERAL OF INDIA, High Court of Andhra Pradesh [OPUC]
8. **One spare copy**

PSR

HIGH COURT

JS,J

DATED:12/08/2025

ORDER

WP.No.20814 of 2025

INTERIM DIRECTION

