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Crl.A.No.98 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17.07.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,  
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

Criminal Appeal No.98 of 2024

1.R.Sekar

S/o.Late S.Raju,  
B4, 44, Vanthiyan Apartments,  
Brindavan Street,  
West Mambalam,  
Chennai - 600 033.

2.K.Anwar Hussain

S/o.M.Kader Meeran,  
AP-118, 4th Street,  
Anna Nagar, West Extension,  
Chennai - 600 101.

Appellants

Vs

State

Rep. the Deputy Director,  
Directorate of Enforcement  
Government of India, Ministry of Finance,  
Department of Revenue,  
2<sup>nd</sup> and 3<sup>rd</sup> Floor, C Block,  
Murugesu Naicker Complex,  
No.84, Greaves Road,  
Chennai - 600 006.  
ECIR No.06/2012/CEZO (AVB)

Respondent



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**PRAYER:** Appeal filed under Section 374(2) of the CrI.P.C. to set aside the order of conviction and sentence imposed on the appellants by the Designated Court under Prevention of Money Laundering Act, 2002/In the Court of Principal Special Judge for CBI Cases/VIII Additional City Civil Court, Chennai in C.C.No.24 of 2016 by a Judgment dated 11.01.2024 by allowing this appeal.

For Appellants: Mr.C.Manishankar  
Senior Counsel  
for Mr.V.S.Venkatesh  
for first appellant

Mr. M.Ravi  
for second appellant

For Respondent: Mr.AR.L.Sundaresan  
Addl. Solicitor General of India  
assisted by  
Mr.N.Ramesh  
Special Public Prosecutor  
for ED Cases

**JUDGMENT**

(Order of the Court was made by *G.Arul Murugan, J.*)

This criminal appeal is filed challenging the judgment dated 11.1.2024 passed in C.C.No.24 of 2016 by the Designated Judge under Prevention of Money Laundering Act, 2002/Principal Special Judge for CBI Cases/VIII Additional City Civil Court, Chennai.



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2. The appellants were convicted for the offence under Section 3 read with Section 4 of the Prevention of Money Laundering Act, 2002 (as amended) and each of them, were sentenced to undergo rigorous imprisonment for a period of 3 years and to pay fine of Rs.5,000/-. Assailing the conviction and sentence imposed, the appellants/accused have preferred the instant appeal.

3. ECIR No.06/2012/CEZO (AVB) came to be registered by the Enforcement Directorate based on the predicate offence registered by the CBI which was tried in C.C.No.36 of 2011 on the file of the Principal Special Judge for CBI Cases, VIII Additional City Civil Court, Chennai.

4. The predicate offence in C.C.No.36 of 2011 was tried by the Principal Special Judge for CBI Cases, VIII Additional City Civil Court, Chennai, whereby the appellants herein were convicted for the offence under Sections 7, 8 and 13(2) read with 13(1)(d) of the Prevention of Corruption Act, 1988, under Section 24(1)(g) of Emigration Act, 1983 and under Section 120-B IPC, respectively, and sentence of four years for the offence under Sections 7, 8 and 13(2) read with 13(1)(d) of the Prevention of Corruption Act, 1988 and 120-B IPC was imposed on



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them and sentence of one year was imposed for the offence under Section 24(1)(g) of Emigration Act, 1983. Assailing the conviction and sentence imposed, the appellants have preferred Criminal Appeal No.50 of 2024 before this Court and, vide judgment dated 29.6.2026, the criminal appeal was allowed and the conviction and sentence imposed on the appellants was set aside.

5. Learned Senior Counsel appearing for the first appellant and learned counsel appearing for the second appellant submit that in view of the conviction and sentence being set aside in the predicate case and also in view of the settled proposition of law in the case of *Vijay Madanlal Choudhary and others v. Union of India and others*<sup>1</sup>, the conviction imposed which is covered in the instant appeal is also liable to be set aside.

6. Learned Additional Solicitor General of India appearing for the respondent submitted that the conviction imposed in the predicate offence has in fact been set aside in Criminal Appeal No.50 of 2024 by this Court on 29.06.2026. However, learned

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<sup>1</sup>(2023) 12 SCC 1



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Additional Solicitor General of India submits that in case of the CBI filing an appeal as against the acquittal from the predicate offence and, if it results reversal, then the Enforcement Directorate shall be given liberty to proceed further.

7. In view of the submission made and considering the admitted position that the conviction suffered by the appellants in the predicate case in C.C.No.36 of 2011 has been set aside and they have been acquitted in Criminal Appeal No.50 of 2024, the instant criminal appeal, whereby the appellants were convicted for the offence under Section 3 read with Section 4 of Prevention of Money Laundering Act, 2002 is also liable to be set aside.

8. Accordingly, the criminal appeal is allowed and the conviction and sentence imposed on the appellants in C.C.No.24 of 2016 are set aside. The appellants are acquitted from the charges under Section 3 read with Section 4 of Prevention of Money Laundering Act, 2002. Fine amount, if any, paid shall be refunded to the appellants. Bail bond, if any, executed shall stand cancelled.



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It is made clear that, in case an appeal is filed as against the judgment passed in the predicate case and the same is set aside, it would be open to the Enforcement Directorate to take further steps in accordance to law.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)  
17.07.2026

Index : Yes/No  
Neutral Citation : Yes/No  
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To

- 1.The VIII Additional City Civil Court,  
Chennai.
- 2.The Deputy Director,  
Directorate of Enforcement,  
Government of India, Ministry of Finance,  
Department of Revenue,  
2<sup>nd</sup> and 3<sup>rd</sup> Floor, C Block,  
Murugesu Naicker Complex,  
No.84, Greaves Road, Chennai-600 006.
- 3.The Special Public Prosecutor for ED Cases,  
Madras High Court.



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THE HON'BLE CHIEF JUSTICE  
AND  
G.ARUL MURUGAN,J.

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