

IN THE HIGH COURT OF JUDICATURE AT MADRAS
DATED: 23.10.2019
CORAM

THE HON'BLE MR.JUSTICE M.M.SUNDRESH
AND
THE HON'BLE MR.JUSTICE RMT.TEEKAA RAMAN

W.P.NO.30013 OF 2019
&
WMP NO.29921, 29922 & 29924 OF 2019

1.K.S.Ponnamal
2.B.Bharani Vaitheesvaran ... Petitioners

-vs-

1. The Chairman, Adjudicating Authority,
Prevention of Money Laundering,
Department of Revenue, Ministry of Finance,
Room No.26, 4th Floor, Jeevan Deep Building,
Parliament Street, New Delhi-110 001.
2. The Deputy Director,
Directorate of Enforcement, Chennai Zonal Office,
3rd Block, Murugesu Naicker Complex,
84, Greaves Road, Chennai-600 006.
3. Union Bank of India,
Industrial Finance Branch, 139, First Floor,
Union Bank Bhavan, Broadway, Chennai-600 108.
4. The Recovery Officer,
Employees' Provident Fund Organization,
Ministry of Labour and Employment,
37, Royapettah High Road, Chennai-600 014.
5. M/s Zylog Systems Ltd.,
155, Thiruvalluvar Salai,
Kumaran Nagar, Sholinganallur,
Chennai - 600119.
6. M/s. Zylog Systems (India) Ltd.
Thiruvalluvar Salai, Kumaran Nagar,
Sholinganallur Chennai 119.
7. Sudarshan Venkatraman
The then Chairperson and Chief Executive
Officer of M/s. Zylog Systems (India) Ltd.

Chennai, C/o. Jayaraman, Flat No. 60/ 80,
New Tech Bilwa Tulai Apartment,
F & F Third Floor, 53rd Street, 9th Avenue,
Ashok Nagar, Chennai-600 083.

8. Ramanujam Sesharathnam
The then Managing Director and Chief
Operating Officer of M/s. Zylog Systems Ltd.
Chennai and Director of M/s. Zylog Systems
(Inda) Ltd., Chennai. No.403, Bhagyam Urban
Ville, No.50, Industrial Estate Road,
Toraipakkam, Chennai-600 096.

9. Sadhana Jayaraman
W/o.Sudarshan Venkatraman,
The then Chairperson and CEO of
M/s.Zylog Systems Ltd.
C/o.Mr. Jayaraman, Flat No.60/80,
New Tech Bilwa Tulai Apartment,
E & F Third Floor, 53rd Street, 9th Avenue,
Ashok Nagar, Chennai-600 083.

10.Madhangi Ramaswamy
W/o.Ramanujam Sesharathnam,
The then Managing Director of
M/s.Zylog Systems Ltd.
No.403 Bhagyam Urban Ville, No.50,
Industrial Estate Road, Torraipakkam,
Chennai-600 096.

11.Vijay Kapoor
No.125/45, Red Buildings, Govind Nagar,
Kanpur (UP) - 208006.

12.Parvinder Singh
Secretary of M/s. Karam Devi Memorial Public
School Samiti, No.143-A, Red Building,
Govind Nagar, Kanpur (UP) - 208006.

... Respondents

Prayer: Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari to call for the records of the 1st Respondent contained in its order of attachment passed in O.C.No. 1107/ 2019 dated 05.08.2019 under the Prevention of Money Laundering Act 2002 in so far as it seeks to attach the property belonging to the Petitioners at Duplex Flat No.3, in Plot No. 12A, Bhagyam Green Meadows, Anna Malai Avenue, Okkiam Thoraipalkkam Village at New Survey No.324/1A1B (Old Survey No. 324/1) and to quash the same as arbitrary, unjust and illegal.

For Petitioners .. Mr.Arun Karthik Mohan
For Respondents .. Mr.N.Ramesh,
1 & 2 Special Public Prosecutor

ORDER

[Order of the Court was made by M.M.SUNDRESH, J.]

The petitioners, claiming to be the subsequent purchasers based upon Sales Certificate in the year 2014 being the auction purchasers from the third respondent, seek to challenge the order passed by the Adjudicating Authority before us.

2.Mr.N.Ramesh, learned Special Public Prosecutor appearing for the respondents 1 and 2, raised an objection that an effective alternative remedy is available as against the order sought to be impugned before the Appellate Tribunal under Section 26 of the Prevention of Money Laundering Act, 2002.

3. Though the learned counsel for the petitioners submitted that the aforesaid remedy is neither efficacious nor effective, we are not inclined to accept the same.

4. The power to be exercised under Article 226 of the Constitution of India is both discretionary and extraordinary in nature. The Appellate Tribunal is consisting of qualified persons headed by a retired Judge of High Court. In such view of the matter, we are of the view that the remedy open to the petitioners is to approach the Appellate Tribunal. However, we find some force in the submission of the learned counsel for the petitioners to the effect that the petitioners had been kept in dark and admittedly, they have purchased their respective properties through the auction sale conducted by the third respondent-Bank and they are in possession since then. In such view of the matter, status quo as on today shall be maintained by the parties, so as to enable the petitioners to get appropriate orders from the Appellate Tribunal.

5. The writ petition stands disposed of accordingly. No costs. Consequently, connected writ miscellaneous petitions are closed.

Sd/-
Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

raa
To

1. The Chairman, Adjudicating Authority,
Prevention of Money Laundering,
Department of Revenue, Ministry of Finance,
Room No.26, 4th Floor, Jeevan Deep Building,
Parliament Street, New Delhi-110 001.
2. The Deputy Director,
Directorate of Enforcement,
Chennai Zonal Office, 3rd Block,
Murugesu Naicker Complex,
84, Greaves Road, Chennai-600 006.
3. The Recovery Officer,
Employees Provident Fund Organization,
Ministry of Labour and Employment,
37, Royapettah High Road,
Chennai-4.

+1cc to Mr.Arun Karthik Mohan, Advocate, S.R.No.89515

+1cc to Mr.N.Ramesh,, Advocate, S.R.No.89131

W.P.No.30013 of 2019

VBA (CO)
CS/05/12/2019



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