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W.P.Nos.10901, 12847, 16421,
17111 & 17115 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.12.2023

CORAM :

THE HONOURABLE MR. JUSTICE S.S. SUNDAR
AND
THE HONOURABLE MR. JUSTICE SUNDER MOHAN

W.P.Nos.10901, 12847, 16421, 17111 & 17115 of 2023
and
W.M.P.Nos.10803, 10804, 10805, 12646, 12648, 12651,
15798, 15799, 15800, 16281, 16282, 16283, 16284 of 2023

W.P.No.10901 of 2023 :

Hemal Arun Mehta

... Petitioner

Vs.

The Directorate of Enforcement,
Government of India,
Represented by its Assistant Director,
2nd & 3rd Floors,
Murugesu Naicker Office Complex,
No.84, Greaves Road, Chennai – 600 006.

... Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus to call for the records of the respondent in ECIR/ CEZO-I/ 17/ 2020 dated 23.03.2020 quash the



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same as far as the petitioner is concerned and direct the respondent to
release the petitioner forthwith from the custody.

For Petitioner : Mr.K.Ravi
Senior Counsel
for Mr.R.Murugan

For Respondent : Mr.P.Sidharthan
Special Public Prosecutor
(ED Case)

W.P.No.12847 of 2023 :

Suresh Venkatachari

... Petitioner

Vs.

The Assistant Director,
Office of the Joint Director,
Directorate of Enforcement,
Chennai Zonal Office-I,
3rd Floor, Murugesu Naicker
Office Complex, Greaves Road Lane,
Chennai – 600 006.

... Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India
for issuance of a Writ of Certiorari to call for the records of the Respondent
in ECIR/ CEZO- I / 17 / 2020 dated 23.03.2020 and quash the same as far as
the petitioner is concerned.



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For Petitioner : Mr.Sathish Parasaran
Senior Counsel
for Mr.N.Bhagavan

For Respondent : Mr.P.Sidharthan
Special Public Prosecutor
(ED Case)

W.P.No.16421 of 2023 :

Rama Subramani Ramani @ R S Ramani ... Petitioner

Vs.

The Assistant Director,
Office of the Joint Director,
Directorate of Enforcement,
Chennai Zonal Office-I,
3rd Floor, Murugesu Naicker
Office Complex, Greaves Road Lane,
Chennai – 600 006.

... Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari to call for the records of the Respondent in ECIR/ CEZO- I / 17 / 2020 dated 23.03.2020 and quash the same as far as the petitioner is concerned.



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For Petitioner : Mr.T.Rajarathinam
Senior Counsel
for Mr.G.Guruprasath

For Respondent : Mr.P.Sidharthan
Special Public Prosecutor
(ED Case)

W.P.No.17111 of 2023 :

Anupam Narain Gupta ... Petitioner

Vs.

The Assistant Director,
The Directorate of Enforcement,
Chennai Zonal Office-I,
No.3 & 4, Murugesu Naicker Office Complex,
84, Greaves Road, Thousand Lights,
Chennai – 600 006. ... Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India
for issuance of a Writ of Certiorari to call for the records of the Respondent
in ECIR/ CEZO- I / 17 / 2020 dated 23.03.2020 and quash the same as far as
the petitioner is concerned.



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For Petitioner : Mr.B.Kumar
Senior Counsel
for Mr.Ali Hassan Khan

For Respondent : Mr.P.Sidharthan
Special Public Prosecutor
(ED Case)

W.P.No.17115 of 2023 :

Rohit Arora ... Petitioner

Vs.

The Assistant Director,
The Directorate of Enforcement,
Chennai Zonal Office-I,
No.3 & 4, Murugesu Naicker Office Complex,
84, Greaves Road, Thousand Lights,
Chennai – 600 006.

... Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari to call for the records of the Respondent in ECIR/ CEZO- I / 17 / 2020 dated 23.03.2020 and quash the same as far as the petitioner is concerned.



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For Petitioner : Mr.T.Mohan
Senior Counsel
for Mr.Ali Hassan Khan

For Respondent : Mr.P.Sidharthan
Special Public Prosecutor
(ED Case)

COMMON ORDER

(Order of the Court was made by **S.S. SUNDAR, J.**)

In all these writ petitions, challenge is to the proceedings of the respondent in ECIR/CEZO-I/17/2020, dated 23.03.2020.

2.Though this Court has granted interim stay of further proceedings until the pendency of the writ petitions, the fact is that the complaint in relation to the predicate offence has been quashed by this Court by detailed order, dated 10.05.2023, in CrI.O.P.Nos.30980 of 2019, etc. batch. It is brought to the notice of this Court that the respondent has earlier filed Special Leave Petition before the Hon'ble Supreme Court as against the interim order granted by this Court. Taking note of the fact that FIR on



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predicate offence had been quashed on 10.05.2023, the Special Leave Petition preferred by the respondent in one of the cases was dismissed as withdrawn as having become infructuous by the Hon'ble Supreme Court by an order dated 18.09.2023. Though a representation was made before the Hon'ble Supreme Court that the respondent may be given permission to revive the proceedings once the quashing of the FIR is subsequently overturned, the Hon'ble Supreme Court refused to comment.

3.It is also brought to our notice that the order which was passed on 10.05.2023 was not even challenged before the Hon'ble Supreme Court, even though it was repeatedly mentioned before us that a Special Leave Petition was preferred by the respondent. However, it is brought to our notice that a Special Leave Petition was filed only on 08.12.2023. We are unable to appreciate the previous representations without even verifying the facts.

4.This Court has, in similar cases, expressed its view that the proceedings under PMLA Act cannot proceed further once the FIR on predicate offence is quashed. The law is well settled by the larger Bench of



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the Hon'ble Supreme Court in the case of ***Vijay Madanlal Choudhary and others v. Union of India and others*** reported in ***(2022) SCC Online SC***

929, wherein, it is ruled as follows :

“467. ... (v)(d) The offence under Section 3 of the 2002 Act is dependent on illegal gain of property as a result of criminal activity relating to a scheduled offence. It is concerning the process or activity connected with such property, which constitutes the offence of money-laundering. The Authorities under the 2002 Act cannot prosecute any person on notional basis or on the assumption that a scheduled offence has been committed, unless it is so registered with the jurisdictional police and/or pending enquiry/trial including by way of criminal complaint before the competent forum. If the person is finally discharged/acquitted of the scheduled offence or the criminal case against him is quashed by the Court of competent jurisdiction, there can be no offence of money-laundering against him or any one claiming such property being the property linked to stated scheduled offence through him.”

5.This view has also been approved by Hon'ble Supreme Court in several cases. Even in the order produced before this Court, the Hon'ble



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Supreme Court had occasion to observe that nothing survives once the FIR on predicate offence has been quashed. In such circumstances, this Court finds no reason to keep all the matters pending.

6.Hence, all these writ petitions are allowed and the impugned proceedings of the respondent in ECIR/CEZO-I/17/2020, dated 23.03.2020, is quashed. No costs. Consequently, connected miscellaneous petitions are closed.

(S.S.S.R., J.) (S.M., J.)
12.12.2023

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Internet : Yes

Index : Yes / No

Neutral Citation : Yes / No

To

1.The Assistant Director,
Office of the Joint Director,
Directorate of Enforcement,
Chennai Zonal Office-I,
3rd Floor, Murugesu Naicker Office Complex,
Greaves Road Lane,
Chennai – 600 006.



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S.S. SUNDAR, J.
and
SUNDER MOHAN, J.

mkkn

2.The Public Prosecutor,
High Court, Madras.

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12.12.2023