



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30-10-2025

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CORAM

**THE HONOURABLE MR JUSTICE S. M. SUBRAMANIAM
AND
THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ**

CRL RC No. 515 of 2025

1. M/S. Nathella Sampath Jewellery Private Limited
Rep.by N.Ranganatha Gupta (A2) aged 76 years,
N.Prapanna Kumar (A3) aged 55 years
N.Prasanna Kumar (A4) aged 53 years
Door No.245, Old No.4-B, Kilpauk Garden Road,
Kilpauk, Chennai - 10

2. N.Ranganatha Gupta

3. N.Prapanna Kumar

4. Parmartha Bhooshanam Sri Nathella Sampathu
Chetty Charities
Rep.by, N.Ranganatha Gupta (A2) aged 76 years,
Door No.245, Old No.4-B, Kilpauk Garden Road,
Kilpauk, Chennai - 10

5. Nathella Sampathu Chetty and Co.,
Rep.by, N.Ranganatha Gupta (A2) aged 76 years
N.Prapanna Kumar (A3) aged 55 years N.Prasanna
Kumar (A4) aged 58 years Door No.245, Old No.4-B,
Kilpauk Garden Road, Kilpauk, Chennai - 10

Petitioner(s)



Vs

1. The Directorate Enforcement

Rep.by its Assistant Director
2nd and 3rd Floors, C Block,
Murugesu Naicker Officer Complex,
No.84, Greaves Road, Thousand
Lights, Chennai - 600 006.

Respondent(s)

PRAYER

To call for the records and set aside the order dated passed in CrI.M.P.No.36796/2024 in CC.No.20/2019 pending trial on the file of the Principal Court of Sessions at Chennai for an offence under Section 3 punishable under Section 4 Prevention of Money Laundering Act, 2002.

For Petitioner(s): Mr.C.Manishankhar
Senior Counsel
for Mr.C.Arun Kumar

For Respondent(s): Mr.P.Sidharthan,
Special Public Prosecutor for ED

ORDER

(Order of the Court was made by S.M.Subramaniam J.)

Under assail is the order dated 20.12.2024 in CrI.M.P.No.36796 of 2024 in CC.No.20 of 2019 on the file of the Principal Court of Sessions, Chennai.

2. The present Criminal Revision Petition arose based on the petition filed by the petitioner/accused under Section 309 of Cr.P.C



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3. The facts in nutshell, as narrated, would show that on 27.03.2018 Mr.G.D.Chandrasekar, General Manager, State Bank of India, Chennai preferred a complaint to Central Bureau of Investigation, Bank Securities and Fraud Cell, Bangalore. CBI registered a Regular Case in 08/E/2018-BS & FC/BLR and commenced investigation. Consequently, Enforcement Directorate registered ECIR/CEZO/1/09/2018 under Sections 3 and 4 of PMLA based on the scheduled offence registered by CBI in criminal case. Enforcement Directorate completed its investigation under PMLA and filed a complaint under Section 45 of the Act on 12.04.2019. Accordingly, Principal Court of Sessions took cognizance and assigned CC.No.20 of 2019 and issued summons to accused.

4. Pertinently, during May 2022, CBI also completed its investigation and filed final report before Additional Chief Metropolitan Magistrate Court at Egmore, Chennai in predicate offence case. The said case has been numbered as CC.No.530 of 2022. Court took cognizance of offence under Section 420 read with 120(B) IPC. Trial commenced in predicate offence case.



Prosecution relied upon 1296 documents and 105 witnesses.

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5. Principal Court of Sessions framed charges against accused, and accused denied charges and summons issued to LW1/Mr.G.D.Chandrasekar, General Manager, State Bank of India. In the context of above facts, Trial Court considered the following judgments to reject the petition filed by petitioner under Section 309 of Cr.P.C,

“1. Bharathi Cement Corporation Private Limited vs. Enforcement Directorate, Crl.R.C.No.84/2021, dated 08.09.2002, of the Telengana High Court.

2. V.Vijay Sai Reddy vs. Enforcement Directorate¹.

3. Pavana Dibbur vs. Enforcement Directorate².

4. S.Martin -vs- Enforcement Directorate³, dated 10.04.2024, of the Hon'ble Supreme Court of India.”

1 2022 SCC Online TS 604

2 2023 SCC Online 1586

3 SLP (Crl) 4768/2024



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6. Learned counsel for petitioner would mainly contend that charge sheet in predicate offence was filed at later point of time. Therefore, trial in PMLA cases ought to have been postponed till such time trial in predicate offence is completed. In other words, he would suggest that PMLA case needs to be adjourned sine die till such time predicate offence case is disposed of. In support, he relied on the judgments as stated supra.

7. Learned Special Public Prosecutor appearing on behalf of Enforcement Directorate would strenuously oppose by stating that PMLA trial does not depend on predicate offence trial. Both are distinct and different and there is no reason to stall PMLA trial, as offence of money laundering is a standalone offence under Sections 3 and 4 of PMLA. Documents relied on and prosecution witnesses, need not be one and the same in predicate offence trial and in PMLA case. That being the distinct nature of trial, stalling PMLA trial would cause prejudice to the prosecution. Thus, petition filed under Section 309 Cr.P.C has rightly been rejected by Trial Court. Predicate offence is the trigger point to launch investigation under PMLA and not dependant on



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predicate offence. An independent investigation is conducted under PMLA by following the procedures, and evidences are collected independently, and that exactly is the reason why the Courts have time and again reiterated that PMLA trial is not dependant on predicate offence trial.

8. For more clarity, let us examine few judgments on the point. In the case of **S.Durga Prasad Vs. Assistant Director⁴**, this Court confirmed the order of dismissal of Trial Court in a petition filed by an accused under Section 309 Cr.P.C. Judgment in the case of **S.Durga Prasad** cited *supra* was confirmed by the Hon'ble Supreme Court of India in SLP.No.56 of 2025 dated 10.01.2025.

9. In the case of **Sidhant Gupta and Others Vs. Directorate of Enforcement⁵** in Cr.R.C.No.71, 115, 116 and 311 of 2024, dated 12.08.2024 and **M.Venkatesan Vs. Directorate of Enforcement⁶** in Cr.O.P.No.7578 of 2023, dated 25.11.2024, Division Bench of this Court reiterated that offence under PMLA is a standalone offence and it is not depending upon the trial of

4 MANU/TN/6583/2024

5 2024 MHC 3217

6 2024 SCC OnLine Mad 8795



schedule offence. In this context, the case of **Sidhant Gupta** cited *supra* was dismissed.

10. Beyond judicial pronouncement in numerous judgments including the cases cited *supra*, it would be appropriate for this Court to consider relevant provisions under PMLA.

11. Section 44 of PMLA states offence triable by Special Court. Explanation to Section 44 has been inserted by Act 23 of 2019. Explanation was inserted for removal of doubts and it is clarified that,

“(i)the jurisdiction of the Special Court while dealing with the offence under this Act, during investigation, enquiry or trial under this Act, shall not be dependent upon any orders passed in respect of the scheduled offence, and the trial of both sets of offences by the same court shall not be construed as joint trial; “

12. The above provision has been reiterated by Three Judges Bench of the Hon'ble Supreme Court in the case of **Vijay Madanlal Choudhary and**



Others Vs Union of India and Others⁷ reiterated the principles and the

relevant paragraph reads as under:

“365. We must reconcile this provision with Clause (a) of sub-section (1) of Section 44. That provision has already been elaborated in the earlier part of this judgment and read down to mean that it is an enabling and discretionary provision. The same consideration must be kept in mind by the Special Court while considering the application filed in terms of this clause. For, this clause also recognises that the trial of scheduled offence and the trial concerning offence of money-laundering need to proceed independently, even though it may be tried by the same Special Court as both are distinct and independent offences. In that, the offence of money-laundering is and can be only in relation to the process or activity connected with proceeds of crime and has nothing to do with the criminal activity relating to a scheduled offence as such.”

13. When parliament amended by inserting an explanation clause for removal of doubts and clarified the scope of Section 44 of PMLA, the said

⁷ 2022 SCC OnLine SC 929



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provision is to be plainly read and to be understood as it is. Explanation 1 in unambiguous term reiterates that investigation, enquiry or trial under the PMLA Act, shall not be dependent upon any orders passed in scheduled offence, and the trial of both sets of offences by the same Court shall not be construed as joint trial. When parliament has clarified that the trial in PMLA case is independent and not dependent on the schedule offence case, there is no reason to entertain any application for the purpose of adjourning the case on the ground that predicate offence case is pending. When it is made clear under the Act that PMLA is distinct and independent. Thus, there is no impediment for Special Court/Principal Special Judge in the present case to proceed with the trial and dispose of the case. When Courts have repeatedly emphasized that evidences and witnesses in predicate offence need not be the same in the case of PMLA, the very object of conducting separate trial has been amplified both under the Act as well as through judicial pronouncements. Therefore, petitions are mostly filed before Trial Court in order protract and prolong the trial, which cannot be encouraged by Courts.

14. Due to high stake involved in money laundering cases, attempts are



being taken to quash the proceedings at each and every stage or to increase the longevity of case. However, right of defence is to be protected in all respects by following the procedures as contemplated under PMLA. Learned counsel for petitioner would submit that petitioner/accused is cooperating for conduct of trial.

15. In view of the above discussions, the Criminal Revision Case is dismissed. No costs. The connected miscellaneous petitions, if any, are closed.

(S.M.SUBRAMANIAM J.)(MOHAMMED SHAFFIQ J.)

30-10-2025

gd

Index:Yes/No

Speaking/Non-speaking order

Internet:Yes

Neutral Citation:Yes/No



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To

1.The Directorate Enforcement Rep.by
its Assistant Director
2nd and 3rd Floors, C Block,
Murugesu Naicker Officer Complex,
No.84, Greaves Road, Thousand
Lights, Chennai - 600 006.



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