



W.P.Nos.15465 and 15473 of 2024

WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 27.02.2025

CORAM :

THE HONOURABLE MR. JUSTICE M.S.RAMESH

and

THE HONOURABLE MR. JUSTICE N.SENTHILKUMAR

W.P.Nos.15465 and 15473 of 2024
and W.M.P.Nos.16806, 16807, 16815 and 16816 of 2024

Maneesh Parmar

... Petitioner
in WP.15465/2024

Sunil Khetpalia

... Petitioner
in WP.15473/2024

Vs.

The Assistant Director
Office of the Joint Director
Directorate of Enforcement
Chennai Zonal Office - 1
Government of India, 5th and 6th Floor
BSNL Administrative Building
Kushkumar Road, Nungambakkam
Chennai 600 034

... Respondent
in both W.P

Common Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of Writ of Certiorari, to call for the



W.P.Nos.15465 and 15473 of 2024

records pertaining to ECIR / CEZO-1/7/2024 dated 08.02.2024 on the file of respondent and to quash the proceedings in ECIR/CEZO-1/7/2024 dated 08.02.2024.

For Petitioner : Mr.S.R.Rajagopal
WP.15465/2024 Senior counsel
for M/s.N.Madhusruthi

For Petitioner : Mr.V.Karthick
WP.15473/2024 Senior counsel
for M/s.V.Arun Kumar

For Respondents : Mr.N.Ramesh
in both WPs. Special Public Prosecutor (ED)

COMMON ORDER

M.S.RAMESH, J.
AND
N.SENTHILKUMAR, J.

On the strength of the F.I.R.No.1 of 2024, on the file of the Directorate of Vigilance and Anti Corruption, Special Investigation Cell, Chennai, in which the both the petitioners herein arrayed as A2 and A3 among the three accused, the respondents herein had initiated proceedings under the Prevention of Money Laundering Act, 2002, in ECIR/CEZO-1/7/2024. When the petitioners had challenged the F.I.R.No.1 of 2024 before this Court in CrI.O.P.Nos.10887 and 10892 of



W.P.Nos.15465 and 15473 of 2024

2024 dated 04.06.2024, the learned single judge had quashed the F.I.R.

WEB COPY

The relevant portion of the order reads as follows:

".....

5. After advancement of the arguments of the learned Senior counsel for the petitioners, the learned Government Advocate submitted that on investigation, it was revealed that there was no proof for cash payments received by the first accused from the second and third accused (petitioners herein) which is turn paid to any public servants, people representatives and unknown officials of various departments to the tune of Rs.50,00,86,125/- for executing the project at Binny Mill Campus. He further submitted that as there was no material evidence to substantiate the alleged offences of the F.I.R, recommendations were made for dropping further action against the accused / A1 to A3 in the final report. He continued that final report was forwarded to the Vigilance Commissioner and U.O. Note vide No.523/VC-III/2021-15 dated 19.02.2024 was received from the Secretary to take necessary action. The referred charge sheet filed on approval was now pending before the Special Court for the Cases under P.C.Act in Serial No.183 of 2024. He has also produced the status report of the respondent dated 04.06.2024 before this Court today.



WEB COPY



W.P.Nos.15465 and 15473 of 2024

6.Considering the submissions made by the learned Senior Counsel for the petitioners and perusing the status report and also taking into account dropping of further action of the respondent against the accused / petitioners herein in their final report, F.I.R.No.1 of 2024, pending on the file of the respondent, stands quashed. Consequently, the Criminal Original Petition filed by the petitioners are allowed. Connected Miscellaneous Petition is closed."

2.When the predicate offence under the F.I.R.No.1 of 2024 had been quashed by the High Court, the respondent herein has no authority to proceed with the impugned proceedings in ECIR/CEZO-1/7/2024, which is based on the F.I.R. that has been quashed by this Court. This legal proposition has been set forth by the Hon'ble Supreme Court in the case of '**Vijay Madanlal Choudhary & others Vs. Union of India & 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



WEB COPY



W.P.Nos.15465 and 15473 of 2024

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 moneylaundering against him or any one claiming such property being the property linked to stated scheduled offence through him.”

3.In the light of the above decision of the Hon'ble Supreme Court, the impugned proceedings pending in ECIR/CEZO-1/7/2024 dated 08.02.2024, on the file of respondent is quashed. The learned Special Public Prosecutor also ratified the said submissions with regard to quashing of the F.I.R. so far as the petitioners herein are concerned.



WEB COPY



W.P.Nos.15465 and 15473 of 2024

M.S.RAMESH, J.
and
N.SENTHILKUMAR, J.

kas

4.These writ petitions are allowed accordingly. No costs.

Consequently, the connected miscellaneous petitions are closed.

[M.S.R, J.]

[N.S, J.]

27.02.2025

Index : Yes / No
Neutral Citation

kas

To.

1.The Assistant Director
Office of the Joint Director
Directorate of Enforcement
Chennai Zonal Office - 1
Government of India, 5th and 6th Floor
BSNL Administrative Building
Kushkumar Road, Nungambakkam
Chennai 600 034

2.The Public Prosecutor
Enforcement Directorate
Chennai

W.P.Nos.15465 and 15473 of 2024
and W.M.P.Nos.16806, 16807, 16815 and 16816 of 2024