IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED: 14-11-2025**

CORAM

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

**CRL RC No. 2366 of 2025**
**and**
**CRL MP No. 21392 of 2025**

Venkatesa Perumal

Petitioner(s)

Vs

Assistant Director
Directorate of Enforcement, Chennai-I,
Government of India, 5th & 6th Floor,
BSNL Administrative Building,
No.2, Kush Kumar Road,
Nungambakkam, Chennai - 34.

Respondent(s)

**PRAYER**

Criminal Revision Case is filed under Section 438 read with Section 442 of Bharatiya Nagarik Suraksha Sanhita, 2023, to call for the records and set aside the order passed in Crl.M.P.No.574 of 2025 in Spl.C.C.No.2 of 2024 dated 29.08.2025 by the Leaned Principal Special Judge for CBI Cases (VIII Additional City Civil Court, Chennai) (Designated Court under Prevention of Money Laundering Act, 2002).

For Petitioner(s): Mr.R.Ravindran

For Respondent(s): Mr.P.Sidharthan
Special Public Prosecutor
[For Enforcement Directorate]

**<u>O R D E R</u>**

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

The present criminal revision case has been instituted to assail the order dated 29th August, 2025 in Crl.MP.No.574 of 2025 in Special C.C.No.2 of 2024.

2. The main ground raised by the petitioner is that he has been arrayed as A6 in Prevention of Money Laundering Act, 2002 [hereinafter referred to as 'PMLA'] case but not arrayed as an accused in Central Bureau of Investigation (CBI) cases (Predicate Offence). Since he has been included as a witness in predicate offence case, the decision taken by the Enforcement Directorate to

implead the petitioner as an accused in PMLA case is not based on any materials.

3. In this regard, the learned counsel for the petitioner would submit that no property has been recovered from the petitioner by the Enforcement Directorate. In the absence of any such recovery, the petitioner ought not to have been arrayed as an accused in the PMLA case.

4. The learned Special Public Prosecutor appearing on behalf of the Enforcement Directorate would oppose by stating that the grounds raised before this Court by the petitioner have been considered by the Trial Court while rejecting the discharge petition. The petitioner has mainly contended that he is not an accused in predicate offence case, so he cannot be tried as an accused in PMLA case.

5. The Trial Court considered the grounds raised by the petitioner as well as the counter statement of Enforcement Directorate. The legal position in this regard has already been settled by the Three Judge Bench of the Hon'ble

Supreme Court of India in the case of ***Vijay Madanlal Choudhary and Others vs. Union of India and Others***[1] and paragraph 295 of the judgment reads as under:

> "***295.*** *As aforesaid, in this backdrop the amendment Act 2 of 2013 came into being. Considering the purport of the amended provisions and the experience of implementing/enforcement agencies, further changes became necessary to strengthen the mechanism regarding prevention of money-laundering. It is not right in assuming that the attachment of property (provisional) under the second proviso, as amended, has no link with the scheduled offence. Inasmuch as Section 5(1) envisages that such an action can be initiated only on the basis of material in possession of the authorised officer indicative of any person being in possession of proceeds of crime. The precondition for being proceeds of crime is that the property has been derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence. The sweep of Section 5(1) is not limited to the accused named in the criminal activity relating to a scheduled offence. It would apply to any person (not necessarily being accused in the scheduled offence), if he is involved*

1 [2022 SCC Online SC 929]

*in any process or activity connected with the proceeds of crime. Such a person besides facing the consequence of provisional attachment order, may end up in being named as accused in the complaint to be filed by the authorised officer concerning offence under Section 3 of the 2002 Act."*

6. That apart, offence of money laundering is a standalone offence with distinct investigation and trial procedure under PMLA. Offence of money laundering has been defined under Section 3 and the explanation Clause would amplify the circumstances under which a person can be arrayed as an accused under PMLA. That apart, Section 44 Explanation (1) of the PMLA reads as under:

> *"**Explanation**.—For the removal of doubts, 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"*

7. The Trial in PMLA case is not dependent on trial in predicate offence case. When the offence of money laundering being an independent offence and unconnected with predicate offence and the Act contemplates investigation, trial and disposal is not unconnected with the predicate offence. The reasons arrayed by the Trial Court for rejecting the discharge petition is in consonance with the provisions of the PMLA.

8. The predicate offence triggers ECIR (Enforcement Case Information Report) registration and investigation under PMLA, but once the investigation commenced under PMLA, thereafter it becomes independent and not dependent on predicate offence investigation or the charge sheet filed. When trials are conducted independently, the very ground raised that the petitioner is not an accused in the predicate offence is untenable and contrary to the rulings held in the ***Vijay Madanlal's*** case cited *supra*.

9. For all these reasons, this Court has arrived at an irresistible conclusion that the decision of the Trial Court is in accordance with law and

with judicial precedent. Consequently, Criminal Revision Case stands dismissed. The connected Miscellaneous Petition is closed.

**(S.M.SUBRAMANIAM J.)(MOHAMMED SHAFFIQ J.)**
**14-11-2025**

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

Jeni

To

The Assistant Director
Directorate of Enforcement, Chennai-I,
Government of India, 5th and 6th
Floor, BSNL Administrative Building,
No.2, Kush Kumar Road,
Nungambakkam, Chennai - 34.

**S.M.SUBRAMANIAM J.**
**AND**
**MOHAMMED SHAFFIQ J.**

Jeni

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