



Crl.R.C.(MD) No.1025 of 2024

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Order reserved on	23.01.2026
Order pronounced on	19.02.2026

CORAM

**THE HONOURABLE MR JUSTICE SENTHILKUMAR
RAMAMOORTHY**

**Crl.R.C.(MD) No.1025 of 2024
&
Crl.M.P.(MD) No.11357 of 2024**

S.Nagarajan
S/o.V.S.Soodam Mani,
No.68, 4th Floor, CP Ramaswamy Road,
Alwarpet, Chennai-600 018.

... Petitioner/
2nd Accused

Vs

Directorate of Enforcement,
Rep by the Assistant Director,
Government of India, Ministry of Finance,
Department of Revenue,
II & III Floor, Murugesu Naicker Office Complex,
No.84, Greaves Road, Thousand Lights, Chennai-600 006
(ECIIR/CEZO/11/2013)

...Respondent/
Complainant



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PRAYER: This Criminal Revision Petition is filed under Section 397 read with 401 of Cr.P.C. praying to call for the records pertaining to the order dated 30.05.2024 made in Crl.M.P.No.4274 of 2023 in C.C.No.3 of 2020 in ECIR/CEZO/11/2013 passed by the learned II Additional District Judge (CBI Cases), Madurai and set aside the same.

For Petitioner(s): M/s S.Elambharathi
D.Venkatachalam

For Respondent(s): Mr.AR.L.Sundaresan
Assistant Solicitor General of India
Assisted by Mr.K.Govindarajan
Deputy Solicitor General of India

ORDER

Factual Background

An entity named 'Olympus Granites (P) Limited' (Olympus Granites') applied for grant of lease to quarry multi-coloured granite over an extent of 1.21.5 hectares in SF No.259 / 4B2 of Keelavalavu Village, Melur, Madurai District, for a period of 30 years under Rule 19A of the Tamil Nadu Minor Minerals Concessions Rules, 1959. By G.O.(3D) No.46, Industries (MMB-1) Department dated 14.07.2008, the Government of



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Tamil Nadu granted a quarry lease to Olympus Granites for a period of 20 years subject to specific conditions. The said order also directed the execution of an agreement in the prescribed form. Such agreement was executed on 13.08.2008. Pursuant thereto, Olympus Granites undertook quarrying activities in financial years 2009-10, 2010-11, 2011-12 and 2012-13 and paid seigniorage fees of Rs.45,37,692/-. Granite blocks extracted from the quarry were transported after obtaining transport permits.

2. Subsequently, the quarry lease was cancelled on 06.09.2012 for the alleged violation of the condition pertaining to maintenance of a safety distance of 10 metres between the leased land and the Government poramboke land. A complaint in relation to illicit quarrying of granites was filed on 06.08.2012 by the Village Administrative Officer, Keelavalavu District, before the Keelavalavu Police Station. The complaint was *inter alia* under Sections 447 and 379 of the Indian Penal Code (the IPC) and Section 3(1) of the Tamil Nadu Public Property (Prevention of Damage and Loss) Act, 1992 (the TNPPDL Act) read with Sections 4(1), 4(2), 4(3) and



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21(b) and 5 of the Mines and Minerals (Development and Regulation) Act, 1957. Based on the complaint, Crime No.161 of 2012 dated 06.08.2012 was registered against Olympus Granites and two others. The final report was filed on 13.11.2017 before the Judicial Magistrate, Melur, in respect of offences under Section 120B read with Sections 447, 379, 409, 411, 420, 434, 468, 471, 304(ii), 109, 114, 511 IPC r/w. Sections 109, 116, 119 & 202 thereof; Sections 6 read with Sections 3(a) & 4(a) of the Explosive Substances Act, 1908 and Section 4 of the TNPPDL Act. PRC No. 30 of 2018 was assigned and cognisance was taken on 13.06.2018.

3. On the ground that some of the alleged offences in relation to the predicate offence of illicit quarrying are scheduled offences under the Prevention of Money Laundering Act, 2002 (the PMLA), pursuant to letter dated 11.07.2013 from the Superintendent of Police, Madurai, the Directorate of Enforcement registered ECIR bearing No.ECIR/CEZO/11-2013, dated 18.09.2013, for conducting investigation under the said statute. The prosecution in respect of the predicate offence is pending before the Judicial Magistrate, Melur. Meanwhile, proceedings



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in relation to prosecution under the PMLA were instituted in C.C. No. 3/2020 before the 2nd Additional District Court (CBI cases), Madurai. The revision petitioner herein was arrayed as the second accused therein. He filed Crl.M.P.No.4274 of 2023 seeking discharge. The discharge petition was dismissed under the impugned order dated 30.05.2024.

4. This revision petition is directed against order dated 30.05.2024 and was listed before the Division Bench of this Court. Justice G.R.Swaminathan held that the impugned order did not contain a discussion of the materials on record and did not demonstrate as to how a *prima facie* case is made out against the revision petitioner. On that ground, it was held that the impugned order is liable to be set aside and the matter remitted to the file of the trial Judge for fresh consideration of the discharge petition. Justice R.Poornima dissented and concluded that the revision petitioner did not make out a case for discharge and that the rejection of the discharge petition was on the basis of *prima facie* examination of the material on record. Pursuant to order dated 15.09.2025 of the Hon'ble Chief Justice, the matter was placed before me for



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consideration in the above facts and circumstances.

Counsel and their contentions

5. Oral arguments on behalf of the petitioner were advanced by Mr.S.Elambharathi. Mr.AR.L.Sundaresan, learned Additional Solicitor General, assisted by Mr.K. Govindarajan, learned Deputy Solicitor General, advanced arguments on behalf of the Directorate of Enforcement. Both parties also filed written submissions.

6. The first contention on behalf of the revision petitioner was that no independent investigation was carried out under the PMLA. By referring to paragraphs 73 and 74 of the impugned order, learned counsel contended that no reasons are set out therein in support of the conclusion that there was an independent investigation. The next contention of learned counsel was that proceedings cannot be initiated under the PMLA unless there are proceeds of crime relating to the predicate offence.



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Learned counsel contended that the impugned order does not contain any reason in support of the conclusion that there is *prima facie* evidence of proceeds of crime.

7. While considering a discharge petition, he contended that the trial court was required to examine the materials so as to assess whether there is sufficient ground to frame charges and proceed with the matter. After submitting that such *prima facie* consideration and discussion of the materials is absent in the impugned order, learned counsel relied upon the judgment of the Hon'ble Supreme Court in *Karnataka Emta Coal Mines Ltd. v. Central Bureau of Investigation, 2024 SCC OnLine 2250*, particularly paragraphs 20.1 to 20.5 thereof. For the same proposition, reliance was also placed on the judgment of the Hon'ble Supreme Court in *Karan Talwar v. the State of Tamil Nadu, SLP (Crl.) No. 10736 of 2022, judgment dated 19.12.2024*.



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8. Relying on the judgment of the Hon'ble Supreme Court in *Vijay Madanlal Chowdary v. Union of India* [2022 SCC OnLine SC 929], learned counsel contended that the expression “proceeds of crime” in Section 2(1)(u) of the PMLA should be construed strictly and that the properties of the petitioner would not constitute proceeds of crime unless there is *prima facie* evidence that they were derived or obtained as a result of criminal activity related to a scheduled offence. He also relied on the judgment of the Hon'ble Supreme Court in *Arvind Kejriwal v. Director of Enforcement, 2024 INSC 512*, to contend that the power of judicial review continues to apply even in the context of the PMLA.

9. In response to these contentions, Mr.Sundaresan opened his submissions by referring to the wide definition of money laundering and proceeds of crime in Section 3 read with 2(1)(u) of the PMLA. By referring to Section 2(1)(v) of the PMLA, he submitted that ‘property’ is also defined widely to include movable, immovable and even intangible property.

10. He submitted that the Sagayam Committee was appointed by this



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Court to probe into alleged unlawful granite mining activities in Madurai District and that a report was submitted on 19.05.2012 to the Principal Secretary, Industries Department, Government of Tamil Nadu. He also pointed out that the District Collector constituted a special expert committee which submitted a report to the effect that Olympus Granites had illegally mined and transported granite and thereby caused the loss of Rs.256.44 crore to the Government.

11. He also submitted that crime No.161 of 2012 was registered in respect thereof and that the charge sheet was filed before the learned Judicial Magistrate, Melur, after completion of investigation in relation to the predicate offence. Since the predicate offence included scheduled offences under Sections 420, 467 and 471 of the IPC read with Section 3 of the Explosive Substances Act, he submitted that a letter was sent by the Superintendent of Police informing the Directorate of Enforcement about the filing of the charge sheet in Crime No.161 of 2012. Thereafter, he submitted that independent investigation was carried out under the PMLA and a complaint was lodged before the Special Court, which was taken



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12. After submitting that the reports of Mr.Sagayam and Mr.Mohandas are sufficient to justify dismissal of this revision petition, learned Additional Solicitor General referred to documents filed along with the complaint. In particular, he relied upon the Government Order granting the quarry licence (Annexure – 8), the agreement dated 13.08.2008 between Olympus Granites and the Government of Tamil Nadu (Annexure 9), G.O.(D) No.161 dated 06.09.2022 cancelling the quarry licence (Annexure 10), the statements issued by the revision petitioner on 04.09.2014 and 01.07.2015 under Section 50 of the PMLA before the Assistant Director, Directorate of Enforcement, Chennai (Annexure 14) and sale deeds relating to properties purchased by the revision petitioner (Annexure 26).

13. By adverting to the impugned order, learned Additional Solicitor General contended that the order should be read in entirety and that paragraphs 51, 55 and 67 thereof indicate that the trial court applied its



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mind to all the materials on record, including the documents referred to above, which were filed as annexures to the complaint. If read in entirety in the context of the above documents, he contended that no case is made out to interfere with the dismissal of the discharge petition. He relied on *Captain Manjeet Singh Viridi (Retd) v. Hussain Mohammed Shattaf and Ors, 2023 (7) SCC 633* and *State of Gujarat v. Dilipsinh Kishorsinh Rao, 2023 SCC Online SC 1294* to contend that the scope of discharge is limited and the current case does not fall within that scope.

Discussion, analysis and conclusion

14. The agreed position is that cognisance was taken by the learned Judicial Magistrate, Melur, under Section 173(2) of the Code of Criminal Procedure (CrPC) in relation to alleged offences under multiple provisions of the IPC and the Explosive Substances Act, 1908. Out of the alleged offences, the offences under Section 120B, 411, 420, 471 and Sections 3 and 4 of the Explosive Substances Act are Scheduled Offences under Section 2(1)(y) of the PMLA. The revision petitioner, however, maintains that the ingredients of these Scheduled Offences are not satisfied.



15. The question that falls for consideration is, therefore, whether the trial court committed an error in dismissing the discharge petition thereby warranting inference in the exercise of revisional jurisdiction. A discharge petition would be liable to be allowed if the trial court were to conclude that there is no sufficient ground for proceeding against the accused. Given the stage at which such petition is considered by the trial court, only *prima facie* assessment is feasible.

16. The offence of “money laundering” is defined in Section 3 of the PMLA as under:

“3. Offence of money-laundering.---Whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming it as untainted property shall be guilty of offence of money-laundering.

Explanation. For the removal of doubts, it is hereby clarified that,-



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(i) a person shall be guilty of offence of money-laundering if such person is found to have directly or indirectly attempted to indulge or knowingly assisted or knowingly is a party or is actually involved in one or more of the following processes or activities connected with proceeds of crime, namely:-

- (a) concealment; or*
- (b) possession; or*
- (c) acquisition; or*
- (d) use; or*
- (e) projecting as untainted property; or*
- (f) claiming as untainted property,*

in any manner whatsoever;

(ii) the process or activity connected with proceeds of crime is a continuing activity and continues till such time a person is directly or indirectly enjoying the proceeds of crime by its concealment or possession or acquisition or use or projecting it as untainted property or claiming it as untainted property in any manner whatsoever.”

17. The text of Section 3 reveals that the offence of money laundering is committed if a person directly or indirectly attempts to indulge in or knowingly assists or knowingly is a party to or is involved in any process or



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activity connected with the proceeds of crime. Such process or activity includes the concealment, possession, acquisition, use, projection or claiming of the proceeds of crime. It follows from the above that the critical requirement is direct or indirect involvement with the proceeds of crime.

18. The expression “proceeds of crime” is defined in Section 2(1)(u) of the PMLA as under:

“u) "proceeds of crime" means any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence or the value of any such property or where such property is taken or held outside the country, then the property equivalent in value held within the country or abroad.

Explanation. For the removal of doubts, it is hereby clarified that "proceeds of crime" include property not only derived or obtained from the scheduled offence but also any property which may directly or indirectly be derived or obtained as a result of any criminal activity relatable to the scheduled offence;”



19. Because property is at the heart of the above definition, it is also necessary to consider the definition of property. Property is defined in Section 2(1)(v) of the PMLA as under:

“(v) "property" means any property or assets of every description, whether corporeal or incorporeal, movable or immovable, tangible or intangible and includes deeds and instruments evidencing title to, or interest in, such property or assets, wherever located.

Explanation. For the removal of doubts, it is hereby clarified that the term "property" includes property of any kind used in the commission of an offence under this Act or any of the scheduled offences;”

20. From the definition of “proceeds of crime”, it is clear that it pertains to any property, derived or obtained, whether directly or indirectly, by any person as a result of criminal activity related to a scheduled offence. The Explanation appears to expand the scope by including any property which is directly or indirectly derived or obtained as a result of any criminal activity related to the scheduled offence. The definition of property covers movable, immovable and even intangible



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property. Against this factual background, a brief consideration of the materials on record is warranted.

21. In the course of investigation under the PMLA, the statement of the revision petitioner was recorded on 04.09.2014 and 09.09.2014 purportedly in terms of Section 50 thereof. These statements were annexed to the complaint as Annexure 14. The statement allegedly made by him when questioned in relation to the immovable properties purchased by him is scanned and reproduced below:



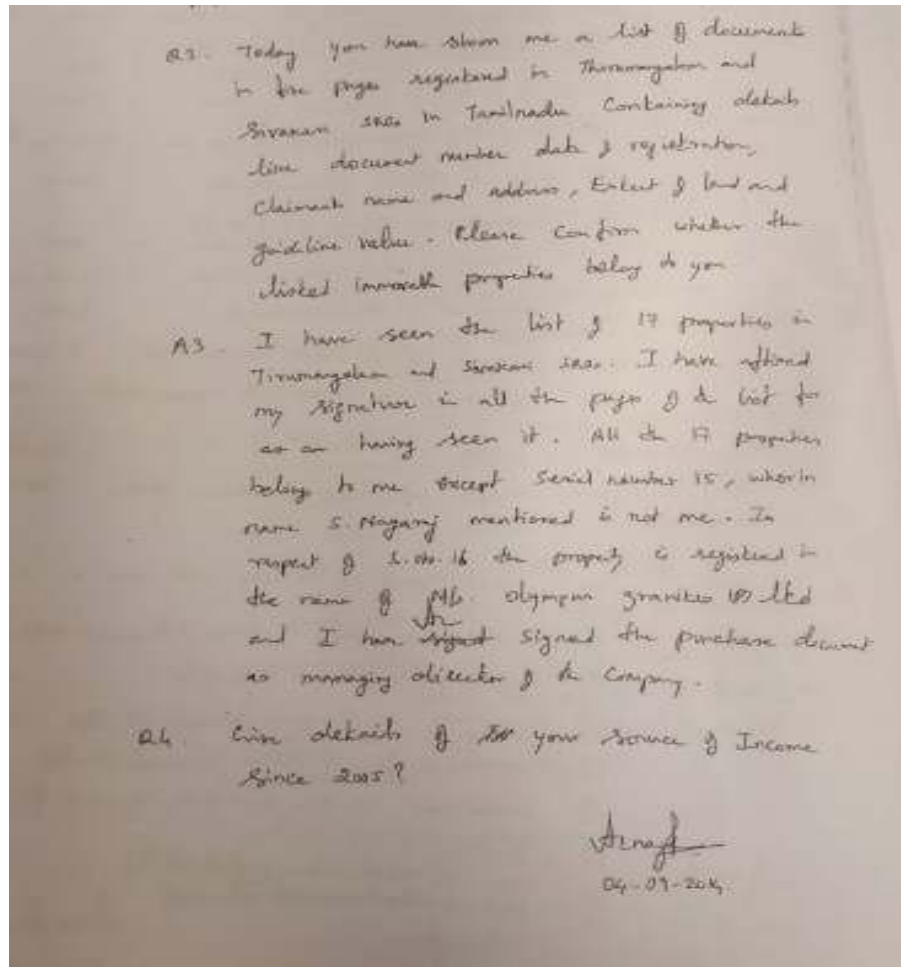
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22.

The
details of
fixed
assets



purchased by the revision petitioner and allegedly provided while making the above statement are scanned and reproduced below:

23. As is noticeable from the alleged response to the question regarding the properties belonging to the revision petitioner, except the properties at Sl.Nos.15 and 16 of the table reproduced above, he has admitted that all the other properties stand in his name and belong to him.



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The sale
deeds

FIXED ASSETS DETAILS PURCHASED BY S. NAGARAJAN						
S.No.	Sl.No.	Acq. Date	Particulars	Property Details	Value	Remarks
1	2782	23.03.2003	1. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
2	4795	28.12.2002	2. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
3	2629	28.12.2002	3. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
4	1718	18.12.2002	4. S. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
5	1275	18.12.2002	5. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
6	4612	14.07.07	6. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
7	1281	07.07.06	7. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
8	4000	18.08.02	8. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
9	4146	18.08.02	9. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
10	4147	18.08.02	10. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
11	1300	13.08.02	11. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
12	3074	18.08.02	12. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
13	4001	18.08.02	13. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
14	4002	18.08.02	14. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
15	4003	18.08.02	15. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
16	4004	18.08.02	16. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
17	4005	18.08.02	17. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
18	4006	18.08.02	18. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
19	4007	18.08.02	19. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
20	4008	18.08.02	20. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
21	4009	18.08.02	21. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
22	4010	18.08.02	22. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
23	4011	18.08.02	23. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
24	4012	18.08.02	24. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
25	4013	18.08.02	25. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
26	4014	18.08.02	26. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
27	4015	18.08.02	27. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
28	4016	18.08.02	28. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
29	4017	18.08.02	29. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan
30	4018	18.08.02	30. Kalyanaram and L.A. Madhavan	107 - Kalyanaram and L.A. Madhavan	1,10,00,000	107 - Kalyanaram and L.A. Madhavan

pertaining to these properties were annexed to the complaint as Annexure
26.

24. In the impugned order, the trial court has taken note of the fact
that the revision petitioner was the Managing Director of Olympus



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Granites. The trial court also took note of the fact that the charge sheet under Section 173(2) of the Cr.P.C. covers scheduled offences as defined under Section 2(1)(u) of the PMLA. At paragraph 50 of the impugned order, the trial court noticed the respondent's averments with regard to the recording of the voluntary statement of the accused under Section 50 of the PMLA, the independent investigation in relation to the offence of money laundering, the bank statement and property documents of the accused. Paragraphs 54 and 55 of the impugned order are set out below:

“54) The petitioner incubated the pecuniary benefits which resulted in further accruals of proceeds of crime and same were camouflaged in the organizational system as business income/earnings. The petitioner has given voluntary statement on 9.9.2014, that he had furnished 21 immovable properties acquired during the period from 19.05.2003 to 04.07.2011. On perusal of the statement out of 21 properties/ 16 were acquired after the commencement of activities of OGPL which was showed as legal sales in the books of accounts. Hence the properties of petitioner/A2 as being involved in the offence of money-laundering, are liable to be



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55) The respondent has further stated that the illegally mine granite in the south side of the area permitted for quarrying i.e. Survey No. 259/482 which was Paramboke Land belongs to the Government in Survey No.297/SD Bit and used the explosive substances to quarry. Further the petitioner/A2 alleged to have prepared forged document undertaking dated 25.07.2008 and submitted to the Government, made the Government to believe the contents, executed in the license in agreement dated 13.08.2008 with the District Collector, submitted the same to the Melur SRO on 18.8.2008 and registered the document as document no.4176/2008 only to cheat the Government. Therefore, there are serious allegations that the petitioner has illegal mining by way of forged documents and caused loss to the Government and also wrongful gain for themselves.”

25. It is recorded at paragraph 54 that 16 properties were acquired by the revision petitioner after the commencement of activities of Olympus



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Granites. At paragraph 69, the trial court has expressly recorded that the FIR registered in Crime No.161 of 2012, ECIR dated 18.09.2013, the statement given by A2/ A. Nagarajan and the evaluation report were perused. At paragraph 74, it is recorded that the Directorate of Enforcement has followed the procedure laid down under the PMLA in Sections 5, 6, 17, 18 and 19 while recording the statement under Section 50 thereof. As regards the movable and immovable properties involved in this case, the trial court has recorded that any conclusions regarding the same, including whether they constitute proceeds of crime, may be reached only after adducing evidence at trial.

26. Eventually, the following conclusions were recorded at paragraphs 76 and 77:

“76) Therefore on perusal of the available documents relied by the respondent/ Complainant, this Court is of the view that there are prima facie evidence against the petitioner to proceed under PML Act and also for other offences. The allegation stated by the petitioner u/s.227



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Cr.P.C cannot throw away the materials by the respondent/ complainant at the initial stage only by analyzing evidence adduced, this Court will come to the conclusion that the allegations against the petitioner is proved or not. Therefore for the above said reasons, this Court is of the view that the various allegations leveled by the petitioner against the respondent/ complainant cannot be decided without adducing elaborate evidence by the respondent/complainant. Further this Court is not inclined to allow this petition relying the allegations made by the petitioner /A2 and that too prima facie case against the petitioner/A2. The investigation conducted by the respondent complainant seems to be prima facie is proper and legal, if there is any contravention of Mines and Minerals Act, can be decided at later part of the trial.

77) Considering the way in which the investigation was conducted by the respondent/ complainant and the materials available in this case and the reports of Collector Shri. U.Sagayam IAS, Special officer/ legal commissioner appointed by Hon'ble Madurai Bench of Madras High Court and the report submitted by the Revenue Department, District Collector and the evaluation report submitted by the



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Shri.N.C. Mohandas, Deputy Director, Geology and Mines, this Court feels that there are materials to proceed against the petitioner for the alleged offences u/s. 120B of IPC r/w Sec. 447, 379, 409, 411, 420, 434, 468, 471, 304 (ii), 109, 114, 511 rive Section 109, 116, 119 & 202 of IPC and Section 6 r/w Section 3(a) & 4(a) of Explosive Substances Act, 1908 and Sec. 4 of TNPPDL Act. Therefore this Court is not inclined to allow this Petition.”

27. If the conclusions in paragraphs 76 and 77 were looked at in isolation, an inference could be drawn that reasons in support of the conclusions do not find place therein. However, the said paragraphs cannot be looked at in isolation and the impugned order should be considered as a whole. As noted earlier, at paragraph 69, the trial court has taken cognizance of the FIR registered in Crime No.161 of 2012, ECIR dated 18.09.2013, the statement given by A2/ A. Nagarajan and the evaluation report. At paragraph 74, it has noticed that the ED has followed the prescribed procedure while recording the statement under Section 50 of the PMLA. It has also further recorded therein that perusal of the ECIR



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reveals that there is a *prima facie* case for proceeding against the petitioner. It is pertinent to underscore that while exercising jurisdiction under Section 227, the trial court is not required to make a roving inquiry; it is only required to sift through and weigh the evidence for the limited purpose of finding out whether there is a *prima facie* case to proceed against the petitioner.

28. When the earlier paragraphs of the impugned order are viewed conjunctively with the concluding paragraphs, it appears that the trial court, after taking stock of the rival contentions, came to the conclusion, on a *prima facie* basis, that there is sufficient ground to proceed with the case. It is not the case of the revision petitioner that requisite sanction was not obtained or that there is any other ground on which the prosecution is barred. Consequently, the revision petitioner has failed to establish that the rejection of the discharge petition was on account of non-application of mind or was otherwise perverse warranting interference in exercise of jurisdiction in a revision petition.



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29. Therefore, the revision petition is liable to be and is hereby dismissed without any order as to costs. For the avoidance of doubt, it is clarified that no conclusions or findings have been recorded on the merits of the matter, including as to whether any of the assets referred to in the complaint qualify as proceeds of crime under the PMLA.

19.02.2026

Neutral Citation : Yes/No

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To

Directorate of Enforcement,
Rep by the Assistant Director,
Government of India, Ministry of Finance,
Department of Revenue,
II & III Floor, Murugesu Naicker Office Complex,
No.84, Greaves Road, Thousand Lights, Chennai-600 006
(ECIR/CEZO/11/2013)



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Crl.R.C.(MD) No.1025 of 2024

SENTHILKUMAR RAMAMOORTHY J.

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**Pre-delivery order made in
Crl.R.C.(MD) No.1025 of 2024
&
Crl.M.P.(MD) No.11357 of 2024**

19.02.2026