

IN THE HIGH COURT OF JHARKHAND AT RANCHI

W.P.(Cr.) No. 231 of 2026

With

I.A. No. 5206 of 2026

Amar Mandal, aged about 48 years, son of Ravan Mandal, Resident of Village-Sejakora, P.O. & P.S.-Jama, District-Dumka, State-Jharkhand.

... .. Petitioner

Versus

Directorate of Enforcement, through its Deputy Director, having its office at Plot No.1520/B, Airport Road, P.O. & P.S. Hinoo, District-Ranchi, Jharkhand-834002.

... .. Respondent

CORAM: HON'BLE MR. JUSTICE SUJIT NARAYAN PRASAD

For the Petitioner : Mr. Ajit Kumar, Sr. Advocate
Ms. Aprajita Bhardwaj, Advocate
Mr. Abhishek Abhi, Advocate
Mr. Sabi Uddin, Advocate
Mr. Akash Ajit Kumar, Advocate
Mr. Kshtiz Priyanshu, Advocate
For the Respondent : Mr. Amit Kumar Das, Advocate
Mr. Saurav Kumar, Advocate
Mr. Varun Girdhar, Advocate

02/Dated: 13th May, 2026

I.A. No. 5206 of 2026:

1. The instant interlocutory application has been for staying all further proceeding in connection with ECIR/RNZO/08/2023 during pendency of the present writ petition.
2. The occasion to file this interlocutory application is based upon the ground primarily that even though the writ petitioner has been acquitted in the predicate offence arising out of Poraiyahat P.S. Case No. 07 of 2019 registered under Section 120B and 414 of IPC read with Sections 4 and 21 of the Mines and Minerals (Development and Regulation) Act, then also the respondent-ED is carrying out the inquiry/investigation in ECIR/RNZO/08/2023 dated 13.02.2023.
3. The ground has been taken that the moment the order of acquittal in favour of the present writ petitioner has been passed by the competent court of criminal jurisdiction vide judgment dated 10.02.2026 by

learned Judicial Magistrate First Class, Godda, there is no authority available to the respondent-ED to proceed with the further investigation in ECIR/RNZO/08/2023 since the said ECIR is based upon the involvement of the present petitioner in the predicate offence.

4. The learned senior counsel appearing for the petitioner has submitted by referring to the judgment rendered by the Larger Bench of the Hon'ble Supreme Court in *Vijay Madanlal Choudhary vs. Union of India and Ors., (2022) SCC OnLine SC 929* that the offence under the PMLA is dependent upon the existence of the schedule offence.
5. Reliance upon other judgments has also been placed, i.e., judgment rendered in the case of *Pavana Dibbur vs. Directorate of Enforcement, (2023) 15 SCC 91* and judgment rendered by the High Court of Karnataka in *Pratap Singh Tiwari vs. Directorate of Enforcement, 2022 SCC OnLine Kar 1885*.
6. Learned senior counsel, therefore, has submitted that since the rigour of summon is being faced by the petitioner, as such, this interlocutory application has been filed showing the document which has been issued by the office of the respondent calling upon the petitioner to participate in the inquiry for the purpose of recording the statement. Therefore, submission has been made that the interim order may be passed restraining the respondent-ED in proceeding further with the investigation against the present writ petitioner in connection with ECIR/RNZO/08/2023 during pendency of the writ petition.
7. While on the other hand, learned counsel for the respondent-ED although has contested the case but he is fair enough to admit the legal position as has been propounded by the Hon'ble Supreme Court in the cases upon which reliance has been placed by the learned senior counsel appearing for the petitioner.
8. He is fair enough to submit that the present interlocutory application may be allowed.
9. This Court has heard the learned counsel for the parties and considered the rival submissions advanced on their behalf.

10. This Court is conscious with the fact that while passing the ad-interim order, three principles are to be taken into consideration, i.e., the prima facie case; balance of convenience and irreparable loss and injury as has been held by the Hon'ble Supreme Court in the case of *Dalpat Kumar and Another vs. Prahlad Singh and Others*, reported in *AIR 1993 SC 276*, wherein the Hon'ble Apex Court has explained the scope of interim order i.e. the phrases "prima facie case"; "balance of convenience" and "irreparable loss" are not rhetoric phrases for incantation but words of width and elasticity to meet myriad situations presented by man's ingenuity in given facts and circumstances, but always is hedged with sound exercise of judicial discretion to meet the ends of Justice. The facts are eloquent and speak for themselves. It is well-nigh impossible to find from facts prima facie case and balance of convenience.
11. Reference is also required to be made with respect to the principle governing the field while granting ad-interim stay by the Court of Law as has been held by the Hon'ble Apex Court in the case of *M. Gurudas & Ors. Vrs. Rasaranjan & Ors.*, reported in *AIR 2006 Supreme Court 3275*, wherein it has been laid down that while considering the application for injunction, the Court should pass an order thereupon having regard to prima facie case, balance of convenience and irreparable injury.
12. This Court is proceeding to examine as to whether the petitioner has been able to make out a case for passing ad-interim order as has been prayed for in the instant interlocutory application.
13. The Hon'ble Supreme Court while interpreting the word "prima facie case" as available in the judgment referred hereinabove has been pleased to consider that the ad-interim order is to be granted only if the petitioner has been able to make out a prima facie case.
14. Herein, this Court is proceeding to examine as to whether the petitioner has been able to make out a prima facie case for passing ad-interim order. The law as has been propounded by the Hon'ble Supreme Court as has been laid down in the case of *Vijay Madanlal Choudhary vs.*

Union of India and Ors. (supra) wherein it has been held that in a situation where the judgment of acquittal has been passed by the competent court of criminal jurisdiction pertaining to predicate offence, then, the inquiry/investigation is to wait for the fate of the judgment of acquittal if such acquittal appeal is being preferred by the prosecution. Relevant paragraph of the aforesaid judgment is being referred as under:

“109. Tersely put, it is only such property which is derived or obtained, directly or indirectly, as a result of criminal activity relating to a scheduled offence that can be regarded as proceeds of crime. The authorities under the 2002 Act cannot resort to action against any person for money laundering on an assumption that the property recovered by them must be proceeds of crime and that a scheduled offence has been committed, unless the same is registered with the jurisdictional police or pending inquiry by way of complaint before the competent forum. For, the expression “derived or obtained” is indicative of criminal activity relating to a scheduled offence already accomplished. Similarly, in the event the person named in the criminal activity relating to a scheduled offence is finally absolved by a court of competent jurisdiction owing to an order of discharge, acquittal or because of quashing of the criminal case (scheduled offence) against him/her, there can be no action for money laundering against such a person or person claiming through him in relation to the property linked to the stated scheduled offence. This interpretation alone can be countenanced on the basis of the provisions of the 2002 Act, in particular Section 2(1)(u) read with Section 3. Taking any other view would be rewriting of these provisions and disregarding the express language of the definition clause “proceeds of crime”, as it obtains as of now.”

15. Consequently, the same view has been reiterated by the Hon’ble Supreme Court in ***Pavana Dibbur vs. Directorate of Enforcement*** (supra) wherein at paragraph-18 it has been held which is being reproduced as under:

“18. In a given case, if the prosecution for the scheduled offence ends in the acquittal of all the accused or discharge of all the accused or the proceedings of the scheduled offence are quashed in its entirety, the scheduled offence will not exist, and therefore, no one can be prosecuted for the offence punishable under Section 3 PMLA as there will not be any proceeds of crime. Thus, in such a case, the accused against whom the complaint under Section 3 PMLA is filed will benefit from the scheduled offence ending by acquittal or discharge of all the accused. Similarly, he will get the benefit of quashing the proceedings of the scheduled offence. However, an accused in PMLA case who comes into the picture after the scheduled offence is committed by assisting in the concealment or use of proceeds of crime need not be an accused in the scheduled offence. Such an accused can still be prosecuted under PMLA so long as the scheduled offence exists. Thus, the second contention raised by the learned Senior Counsel appearing for the appellant on the ground that the appellant was not shown as an accused in the charge-sheets filed in the scheduled offences deserves to be rejected.”

16. This Court, therefore, is of the view that the prima facie case is available in favour of the petitioner in view of the judgment rendered by the Hon'ble Supreme Court.
17. So far as the balance of convenience and irreparable loss is concerned, the same is also available reason being that in a situation where the judgment of acquittal has been passed and, in such circumstances, if any summon will be issued then, it will lead to inconvenience and the same will also amount to irreparable loss at this stage.
18. This Court, considering the availability of all the three conditions, is of the view that the present interlocutory application needs to be allowed.
19. Accordingly, the present interlocutory application stands allowed, as such, disposed of.
20. In consequence thereof, the respondents are directed not to proceed further qua the petitioner, in connection with ECIR/RNZO/08/2023, without the leave of this Court.

W.P.(Cr.) No. 231 of 2026:

21. Let the writ petition be listed in its usual course.

(Sujit Narayan Prasad, J.)

13th May, 2026

Saurabh/-