

IN THE SUPREME COURT OF INDIA  
CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPEAL NO.1262 OF 2023  
(Arising out of SLP(Cr1.) No. 5142/2021)

NARESH KUMAR KEJRIWAL

APPELLANT(S)

VERSUS

DIRECTORATE OF ENFORCEMENT  
(PREVENTION OF MONEY LAUNDERING ACT)

RESPONDENT(S)

O R D E R

Leave granted.

2. Learned counsel for the appellant has referred to the Judgment delivered by this Court in the case of *"Vijay Madanlal Choudhary & Ors. v. Union of India & Ors."* decided on 27.07.2022, wherein the consequence of failure of prosecution for the scheduled offence has been provided in the following terms:-

"187. ....(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 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 money-laundering against him or any one claiming such property being the property linked to stated scheduled offence through him."

3. Learned counsel has submitted that in the present case, prosecution against the appellant was quashed by the High Court by the order dated 12.03.2014 in Criminal Miscellaneous Petition No.2651 of 2013. Learned counsel would submit that in the given state of facts and the law declared by this Court, there cannot be any prosecution for the alleged offence of money-laundering.

4. Learned Additional Solicitor General appearing for the respondent, in all fairness, though has not disputed the order so passed by the High Court quashing the proceedings but, has submitted that the present case relates to a fact situation where the order quashing the proceedings qua the appellant has itself proceeded on the reasoning that the appellant was not in possession of the proceeds of crime.

5. Taking the totality of the facts and circumstances into account, we find no reason to

allow the proceedings against the appellant under Prevention of Money Laundering Act, 2002 (for short, 'PMLA') to continue any further.

6. However, taking note of the submissions made by the learned Additional Solicitor General and in the interest of justice, we reserve liberty for the respondent in seeking revival of these proceedings if there be any legitimate ground to proceed under PMLA in accordance with law.

7. Subject to the observations and liberty foregoing, this appeal is allowed while quashing the proceedings qua the appellant in Complaint/ECIR No.02 of 2018 dated 03.11.2018 pending in the Court of Additional Judicial Commissioner-I-cum-Special Judge for PMLA at Ranchi.

8. It goes without saying that the present order proceeds on the facts of this case alone.

9. All pending applications also stand disposed of.

....., J.  
(DINESH MAHESHWARI)

....., J.  
(AHSANUDDIN AMANULLAH)

NEW DELHI  
APRIL 25, 2023

ITEM NO.15

COURT NO.6

SECTION II-A

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (CrI.) No(s). 5142/2021

(Arising out of impugned final judgment and order dated 06-12-2019 in CRMP No. 1399/2019 passed by the High Court Of Jharkhand At Ranchi)

NARESH KUMAR KEJRIWAL

Petitioner(s)

VERSUS

DIRECTORATE OF ENFORCEMENT  
(PREVENTION OF MONEY LAUNDERING ACT)

Respondent(s)

IA No. 55243/2020 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT)

Date : 25-04-2023 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE DINESH MAHESHWARI  
HON'BLE MR. JUSTICE AHSANUDDIN AMANULLAH

For Petitioner(s) Mr. Devashish Bharuka, AOR  
Ms. Sarvshree, Adv.  
Mr. Shobhit Dwivedi, Adv.

For Respondent(s) Mr. Tushar Mehta, Solicitor General (NP)  
Mr. S.V. Raju, A.S.G.  
Mr. Mukesh Kumar Maroria, AOR  
Mr. Zoheb Hussain, Adv.  
Mr. Mayank Pandey, Adv.  
Ms. Sairica Raju, Adv.  
Mr. Kanu Agarwal, Adv.

UPON hearing the counsel the Court made the following  
O R D E R

Leave granted.

The appeal is allowed in terms of the signed order.

All pending applications also stand disposed of.

(NEETU KHAJURIA)  
ASTT. REGISTRAR-cum-PS

(RANJANA SHAILEY)  
COURT MASTER

(Signed order is placed on the file.)