

Supreme Court Rebukes ED, Cites Low Conviction Rate in PMLA Cases



In a stern observation, the Supreme Court of India has criticized the Enforcement Directorate (ED), telling the agency it "can't act like a crook" and must operate strictly within the law. The remarks were made during an ongoing hearing on petitions challenging the ED's arrest powers under the Prevention of Money Laundering Act (PMLA). The top court highlighted the agency's low conviction rate, noting that out of roughly 5,000 cases registered in the last five years, less than 10% have resulted in convictions.

A bench comprising Justices Surya Kant, Ujjal Bhuyan, and N. Kotiswar Singh is reviewing a 2022 verdict that had upheld the ED's expansive powers. During the proceedings, Justice Bhuyan referenced a parliamentary statement confirming the low conviction statistics, questioning the agency's effectiveness, and the ramifications of prolonged judicial custody for individuals who are eventually acquitted. "We are also concerned about ED's image. After 5-6 years of custody, if people are acquitted, who takes responsibility?" he asked. The court's comments underscore a growing judicial concern regarding the ED's operational methods and their impact on civil liberties.

In response, Additional Solicitor General S.V. Raju, representing the government and the ED, attributed the low conviction rate to tactics employed by "influential accused" who use legal loopholes to delay proceedings. He also pointed to challenges like accused individuals fleeing the country and the rising complexity of financial investigations involving cryptocurrencies.

The court suggested that establishing dedicated courts for PMLA cases, similar to those for TADA and POTA, could help streamline trials and prevent delays. Justice Kant emphasized that day-to-day trials would deter influential accused from filing excessive applications, thereby expediting the judicial process.

The hearings are expected to continue next week as the Supreme Court delves deeper into the complexities of the ED's functions and their broader implications for justice in financial crimes. This judicial scrutiny of the ED comes at a time when the agency is at the center of numerous high-profile investigations and is facing criticism from various political and legal quarters over its methods.