



\$~7

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 7287/2024**

SATYA PRAKASH BAGLA

.....Petitioner

Through: Mr. D.P. Singh, Mr. Archit Singh, Mr. Ambar Tewari, Mr. Monu Mishra, Mr. Devesh Bhatia, Mr. Varun Aggarwal, Advocates.

versus

DIRECTORATE OF ENFORCEMENT

.....Respondent

Through: Mr. Ravi Prakash, CGSC with Mr. Ali Khan, Advocate.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

% **04.07.2024**

1. Mr. Satya Prakash Bagla, the Managing Director of M/s Exclusive Motors Pvt. Ltd., has received summons bearing No. FEMA/SUMMON/DLZO2/2024/229 dated 03.05.2024,¹ issued by Assistant Director, Directorate of Enforcement, for furnishing information in respect of investigation being carried out under Section 37(1) and Section 37(3) of Foreign Exchange Management Act, 1999,² read along with Section 131(1) of the Income Tax Act, 1961 and Section 30 of the Code of Civil Procedure, 1908.

2. The Petitioner's grievance is that the Annexure A to the impugned summons, require the Petitioner to produce documents pertaining the family members which he is not legally bound to do. The Petitioner contends that the Respondent while investigating into the alleged violations of FEMA, cannot seek information pertaining to the Petitioner's wife, daughter and son through the

¹ "Impugned summons."

² "FEMA"



impugned summons. It is contended that firstly, the Petitioner cannot assess such information and secondly, such an access would breach their privacy.

3. During the pendency of the present proceedings, the Respondents have filed an affidavit, in compliance of the order dated 21st May, 2024, and enclosed therewith is Annexure R-2,³ which now supersedes the Annexure A, accompanying the summons, which is the subject matter of the challenge in the present petition.

4. Counsel for the Petitioner states that the revised annexure continues to be arbitrary and unreasonable as it seeks information which is not permissible in law. No information such as ITR or other financial record of the Petitioner's wife/daughter/son can be sought from him. Furthermore, it is also pointed out that the Petitioner is divorced from his wife, and he no longer has any familial relationship with the children.

5. Having considered the aforementioned circumstances and considering the fact that the proceedings are at initial stage where only summons have been issued, although the Court is not inclined to entertain the present petition, however, there is merit in the Petitioner's contentions to the extent that the information that can be sought by the Respondent has to be confined to the Petitioner and M/s Exclusive Motors Pvt. Ltd. or its sister concerns/wholly owned subsidiaries. No information from the Petitioner can be sought pertaining to his wife, daughter and son who have their independent rights.

6. Accordingly, the present petition is disposed of with the directions that the revised Annexure-A, accompanying the affidavit dated 27th May, 2024, filed by the Respondent, shall be answered by the Petitioner except for the information pertaining to Petitioner's family members, i.e., wife/daughter/son. This condition shall be read in Clauses 3,4,6, and 9. The petitioner shall join the investigation and furnish the information in respect of revised 'Annexure A', as directed above,

³ "revised Annexure-A"



within a period of four weeks from today. All rights and contentions of parties are left open.

7. It is however clarified that in case the Respondent were to suspect that the Petitioner's family members are also in violation of the provisions of FEMA, they shall be fully entitled to take appropriate steps in accordance with law.

8. With the above directions, the present petition is disposed of.

SANJEEV NARULA, J

JULY 4, 2024

ab