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

\+ W.P.(C) 17770/2024
SMITA JAIN & ANR. .....Petitioners

Through: Mr. Madhav Khurana, Senior Advocate with Mr. Mohit Chaudhary, Mr. Kunal Sachdeva, Mr. Anubhav Singhal, Mr. Nishant Wali, Advocates

versus

DIRECTORATE OF ENFORCEMENT & ANR. .....Respondents

Through: Mr. Ravi Prakash, Senior Advocate with Mr. Arkaj Kumar, Standing Counsel and Mr. Ishank Jha, Ms. Vaishnavi Bhargava, Mr. Aakarsh Mishra, Advocates for ED

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

O R D E R

% 23.12.2024

CM APPL. 75587/2024 (*Exemption*)

1. Exemption is granted, subject to all just exceptions.

2. The Applicant shall file legible and clearer copies of exempted documents, compliant with practice rules, before the next date of hearing.

3. Accordingly, the application stands disposed of.

W.P.(C) 17770/2024 & CM APPL. 75586/2024 (*seeking status quo of lockers of Petitioners*)

4. On 31st December, 2020, a complaint was registered by IDBI bank against Shilpi Cable Technologies Ltd., Mukesh Kumar Gupta and Manish Goel to Superintendent of Police, CBI, Economic Offence Unit-1, which

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culminated into registration of FIR No. RC2192021E0003 dated 21st February, 2021.

5. In connection with the predicated offence forming the subject matter of the aforenoted FIR, on 04th December, 2024 the Directorate of Enforcement conducted Search and seizure at the premises of the Petitioners situated at 6B/10, N.E.A, Old Rajinder Nagar, Rajender Nagar, New Delhi – 110060.

6. The Petitioners contend that pursuant to search no incriminating documents were found, however, some cash, keys of bank locker no. 364 and 555 and digital device were found which have been seized as per the Schedule A of the Panchnama.

7. Pursuant to the aforenoted action, the Petitioners understand that direction has been issued to The Branch Manager, Vaish Cooperative Adarsh Bank, Karol Bagh Branch for the freezing of the bank lockers no. 364 and 555, which find a mention in the Schedule A to the Panchnama.

8. The Petitioners contend that the aforenoted lockers contain jewellery of Petitioner No. 1 which has been declared as *stridhan* with the income tax authorities way back in February, 2001. The copy of the communication issued by Petitioner No. 2, husband of Petitioner No.1, to Deputy Director of Income Tax, declaring the *stridhan* along with the details of contents of the locker is also annexed with the petition.

9. The Petitioners, thus, contend that since they have duly declared all the gold jewellery articles in the income tax assessment over the years, the same cannot be given the label of proceeds of crime and therefore, no action of attachment should be taken in respect to the said properties.

10. The Court has considered the aforenoted contentions. As of now, the

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contents of the aforenoted lockers are not known. Apparently, only directions have been issued for stopping the operations of the bank locker since a key was found in respect of the said lockers during the course of search and seizure. Therefore, at this juncture, the Court cannot form any view regarding any of the contents which are not known. Moreover, whether the jewellery which the Petitioners anticipates will be found on opening the locker, is indeed *stridhan* or not, is again an issue which the Court cannot form any opinion at this stage.

11. In case, the Respondents were to, after opening the locker take action under Section 5 of the Prevention of Money Laundering Act, 2002, they would have to necessarily follow the mandate of the statute which affords the Petitioners ample opportunity to put forth their stand in respect of any such action. Furthermore, in this regard the Act also provides for alternate efficacious remedy in the event any such an action is taken. In this regard, counsel representing for Directorate of Enforcement places reliance on judgment dated 30th July, 2024 passed by this Court in W.P.(C) 10466/2024 titled as "***Nium India Private Limited vs. Union of India and Ors.***".

12. Thus, in the opinion of the Court, the instant petition is premature and does not call for any judicial interference. At this juncture, Mr. Madhav Khurana, Senior Counsel for the Petitioners, requests that in the event, Respondent No. 2 were to take any further action after verifying the contents of the locker, the Petitioners reserve their right to assail the same. He requests that the Respondents be directed not to remove the contents of the locker. He suggests that the contents after inventorisation, may be kept in the same locker which can then be seized.

13. Considering the above, a limited direction is issued that as and when

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the Respondents were to operate the lockers for carrying out the search, the contents thereof shall be inventorized and the preserved in the locker itself. The operation of the bank lockers shall remain frozen subject to further action that the Respondents may take in this regard.

14. With the above directions, the present petition is disposed of along with pending application.

15. All rights and contentions of the parties are left open.

SANJEEV NARULA, J

DECEMBER 23, 2024/ab

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