**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

WRIT PETITION (L) NO.4833 OF 2022

Samta Chaturvedi ...Petitioner
Versus
Union of India & Ors. ...Respondents

Ms. Neha Anchlia, a/w Mr. Naresh Jain, for Petitioner.

Mr. Anil D. Yadav, for Respondents.

**CORAM : M.S. Sonak &
Advait M. Sethna, JJ.**

DATED : 14 October 2025

Oral Order (Per M.S. Sonak, J.) :-

1. Heard Ms. Neha Anchlia, learned counsel for the Petitioner and Mr. Anil Yadav, learned counsel for the Respondents.

2. On 10 October 2025, we made the following order:-

> "1. Despite our earlier orders, there is no appearance on behalf of the Respondents. However, an affidavit has already been filed in the matter on behalf of the Respondents.
>
> 2. With a view to grant an additional opportunity, we list this matter for final disposal at the admission stage on 14 October 2025. The matter to come up for 'Directions/Disposal'.
>
> 3. She points out that in terms of Section 5(1)(b), such provisional order dated 10 November 2021 can operate for a period not exceeding 180 days from the date of the order. She states that these 180 days

> period has long expired.
>
> 4. Accordingly, we propose to dispose of this Petition finally at the admission stage on 14 October 2025. The learned counsel for the Petitioner is requested to serve a copy of this order to the Respondents by all permissible modes including email, etc. and file an affidavit of service."

3. Accordingly, we issue a Rule in this Petition. The Rule is made returnable immediately at the request of and with the consent of the learned counsel for the parties.

4. In any event, by our above referred order dated 10 October 2025 we had already stated that we propose to dispose of this Petition finally at the admission stage on 14 October 2025.

5. The Petitioner challenges the provisional attachment order dated 10 November 2021 made under Section 5 of the Prevention of Money Laundering Act, 2022 ("**PMLA Act**"). Ms Anchlia submitted that, in terms of Section 5(1)(b) of the PMLA, a provisional attachment order cannot operate beyond 180 days from the date of the order.

6. Mr. Yadav learned counsel for the Respondents has made two submissions in response to the contentions raised in the Petition. Firstly, he submitted that the provisional attachment order was issued during the period affected by the Covid pandemic. Therefore, relying upon the decision in the case of **Directorate of Enforcement and Anr. vs. M/s. Vikas WSP Ltd. and Ors.**[1] he submitted that the Covid period is

[1] LPA No.362 of 2020 decided by the Hon'ble Delhi High Court on 30 October 2025

required to be excluded for determining a period of 180 days provided under Section 5(1)(b) of the PMLA Act. Secondly, he placed on record order dated 30 May 2022 made by the learned Single Judge of the Delhi High Court in the case of **Usher Financials Pvt. Ltd. vs. Union of India & Ors**.[2] by which the impugned provisional attachment order dated 10 November 2021 which is also in the impugned order in the present petition, came to be stayed. He relied upon the 3rd proviso to Section 5(1)(b) of the PMLA to submit that the period during which the High Court stays the proceedings under this Section shall be excluded, and a further period not exceeding 30 days from the date of the order of vacation of such stay order shall be counted.

7. Rival contentions now fall for our determination.

8. The controversy revolves around the provisions of Section 5 of the PMLA under which the impugned provisional attachment order has been issued. Accordingly, we transcribe Section 5 of the PMLA for the convenience of reference: -

> "**5. Attachment of property involved in money-laundering. -** 4[(1)Where the Director or any other officer not below the rank of Deputy Director authorised by the Director for the purposes of this section, has reason to believe (the reason for such belief to be recorded in writing), on the basis of material in his possession, that — (a) any person is in possession of any proceeds of crime; and (b) such proceeds of crime are likely to be concealed, transferred or dealt with in any manner which may result in frustrating any proceedings relating to confiscation of such

[2] WP(C)/8637/2022

proceeds of crime under this Chapter, he may, by order in writing, provisionally attach such property for a period not exceeding one hundred and eighty days from the date of the order, in such manner as may be prescribed:

Provided that no such order of attachment shall be made unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 173 of the Code of Criminal Procedure, 1973 (2 of 1974), or a complaint has been filed by a person authorised to investigate the offence mentioned in that Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be, or a similar report or complaint has been made or filed under the corresponding law of any other country:

Provided further that, notwithstanding anything contained in 1[first proviso], any property of any person may be attached under this section if the Director or any other officer not below the rank of Deputy Director authorised by him for the purposes of this section has reason to believe (the reasons for such belief to be recorded in writing), on the basis of material in his possession, that if such property involved in money-laundering is not attached immediately under this Chapter, the non-attachment of the property is likely to frustrate any proceeding under this Act.]

[Provided also that for the purposes of computing the period of one hundred and eighty days, the period during which the proceedings under this section is stayed by the High Court, shall be excluded and a further period not exceeding thirty days from the date of order of vacation of such stay order shall be counted.];

(2) The Director, or any other officer not below the rank of Deputy Director, shall, immediately after attachment under sub-section (1), forward a copy of the order, along with the material in his possession, referred to in that sub-section, to the

Adjudicating Authority, in a sealed envelope, in the manner as may be prescribed and such Adjudicating Authority shall keep such order and material for such period as may be prescribed.

(3) Every order of attachment made under sub-section (1) shall cease to have effect after the expiry of the period specified in that sub-section or on the date of an order made under 3[sub-section (3)] of section 8, whichever is earlier.

(4) Nothing in this section shall prevent the person interested in the enjoyment of the immovable property attached under sub-section (1) from such enjoyment.

Explanation.—For the purposes of this sub-section, "person interested", in relation to any immovable property, includes all persons claiming or entitled to claim any interest in the property.

(5) The Director or any other officer who provisionally attaches any property under sub-section (1) shall, within a period of thirty days from such attachment, file a complaint stating the facts of such attachment before the Adjudicating Authority."

9. Section 5(1)(b) of the PMLA provides that the provisional attachment order shall operate for a period not exceeding 180 days from the date of the order. The provisional attachment order was issued on 10 November 2021. Even if the Covid period, as exempted under the notifications issued from time to time, is excluded, still, the period of 180 days has since elapsed. Therefore, by relying on the notifications exempting the periods due to the Covid-19 pandemic or the decision of the Hon'ble Delhi High Court in the case of **M/s. Vikas WSP Ltd. (supra)**, there is no question of operating the impugned provisional attachment order qua the Petitioner's properties any longer.

10. The third proviso to Section 5(a), no doubt, provides that for the purposes of computing the period of 180 days, the period during which the High Court stays the proceedings under this Section shall be excluded, and a further period not exceeding 30 days from the date of the order of vacation of such stay order shall be counted.

11. In this case, the Petitioner had not challenged the provisional attachment order and/or secured a stay on its implementation or execution. The provisional attachment order, which had *inter alia* included properties of other persons/companies, was challenged by **Usher Financials Pvt. Ltd. (supra).** The court stayed the provisional attachment order and restrained the Enforcement Directorate from taking further steps as contemplated under Section 8 of the PMLA Act. A restraint was imposed even upon the Petitioner in the said Petition, i.e. Usher Financials Pvt. Ltd., by instituting writ petition No.8637 of 2022 before the Hon'ble Delhi High Court.

12. In its order of 30 May 2022, after considering the decision in **Vikas WSP and Ors. (supra**) It has stayed the provisional attachment order and restrained the Enforcement Directorate from taking further steps as contemplated under Section 8 of the PMLA. A restraint was imposed even upon the Petitioner in the said Petition, i.e. Usher Financials Pvt. Ltd., from disposing of or creating any third-party rights or encumbering the properties which form the subject matter of provisional attachment.

13. From the context, therefore, it is clear that the stay order issued by the Hon'ble Delhi High Court at the behest of Usher Financials Pvt. Ltd. was *qua* the properties in which Usher Financials Pvt. Ltd. was concerned. The benefits of that stay order cannot be extended to continue the provisional attachment order, qua the persons or entities who had never secured such a stay order or in whose favour the High Court granted no stay order.

14. Merely because the impugned provisional attachment order may have referred to properties of more than one individual or entity, a stay obtained by one of the individuals or entities qua the properties in which it had claimed any interest, will not ordinarily extend the period of 180 days for the purpose of 3rd proviso to Section 5(1) of the PMLA. For the above reasons, we cannot agree with both the contentions raised by Mr Yadav in response to Ms Anchliya's arguments challenging the impugned provisional attachment order.

15. Since the period of 180 days has long expired, even after excluding the period during the Covid pandemic and since the stay of the Hon'ble Delhi High Court does not apply to the case of the Petitioner, we declare that the impugned provisional attachment order will no longer apply or can no longer be operated *qua* the attached properties in which the Petitioner claimed interest. The attachment, to that extent, of the properties in which the Petitioner claim interest will therefore stand vacated or raised hereafter.

16. We note that though there was no restraint, the Enforcement Directorate has also not finalised the attachment proceeding by taking appropriate steps under Section 8(3) of the PMLA to date.

17. However, we clarify that nothing in this order should be construed as the Court acknowledging the Petitioner as the owner of the attached properties. Similarly, nothing in this order will prevent the Enforcement Directorate from taking such steps as may be permissible under the law for securing their interest *qua* the properties in which the Petitioner claims interest.

18. The Rule is made absolute in the above terms without any costs order.

19. All concerned are to act on an authenticated copy of this order.

20. At this stage, Mr Yadav seeks a stay on the order that we have just pronounced. Accordingly, we stay our own order for a period of four weeks as requested. This means that for a period of four weeks from today, the Petitioner shall not transfer or alienate the attached properties.

(Advait M. Sethna, J) **(M.S. Sonak, J.)**