**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CWP-13471-2025

Date of decision : 03.07.2025

Gurjeet Singh

…….Petitioner

Versus

Deputy Director, Directorate of Enforcement, Chandigarh

...….Respondent

CORAM: HON'BLE MR. JUSTICE SHEEL NAGU, CHIEF JUSTICE
HON'BLE MR. JUSTICE SANJIV BERRY

Present: Mr. N.S. Swaitch, Advocate, and
Ms. Harshmir Kaur Swaitch, Advocate,
for the petitioner.

Mr. Satya Pal Jain, Addl. Solicitor General of India, with
Mr. Akash Vashisth, Central Government Counsel,
for the respondent.

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<u>SHEEL NAGU, CHIEF JUSTICE</u> (Oral)

1. This petition essentially assails the provisional order dated 12.03.2025 (Annexure P-2) passed under Section 5 (1) of the Prevention of Money Laundering Act, 2002 (‘PMLA’ for brevity), attaching certain properties of the petitioner, *prima facie* alleged to be involved in money laundering.

2. This Court, while taking cognizance of this matter on 12.05.2025, had restricted scope of this petition by asking Mr. Satya Pal Jain, learned Additional Solicitor General of India, to respond only on one point, i.e. whether the matter had been referred to the Adjudicating Authority within stipulated period of 3 days prescribed in Section 5 (5) of PMLA ?

2.1 The affidavit dated 24.06.2025, duly sworn by Assistant Director, Directorate of Enforcement, filed by the respondent, reveals that after passing of attachment order on 12.03.2025, Original Complaint No. PMLA/OC/156/ DEL/2025 was filed before the Adjudicating Authority within a period of 30 days, i.e. on 07.04.2025.

2.2 At this juncture, learned counsel for the petitioner submits that the petitioner seeks to incorporate certain other grounds of challenge to the provisional attachment order, including that of defect in composition of the Adjudicating Authority.

2.3 Since there is no prayer by the petitioner for re-calling of the earlier order passed on 12.05.2025, which restricted scope of this petition, the said prayer is declined.

3. The dispute that is raised herein is that provisions of Section 8 (3) (a) of PMLA have been breached by retaining the property seized vide provisional attachment order, despite the Enforcement Directorate failing to complete the investigation within 365 days. For ready reference and convenience, Section 8 (3) (a) of PMLA is re-produced below :

> ***"8. Adjudication***
>
> *(1) x x x x*
>
> *(2) x x x x*
>
> *(3) Where the Adjudicating Authority decides under sub-section (2) that any property is involved in money-laundering, he shall, by an order in writing, confirm the attachment of the property made under sub-section (1) of section 5 or retention of property or record seized or frozen under section 17 or section 18 and record a finding to that effect, whereupon such attachment or retention or freezing of the seized or frozen property or record shall –*

> (a) *continue during investigation for a period not exceeding three hundred and sixty-five days or the pendency of the proceedings relating to any offence under this Act before a court or under the corresponding law of any other country, before the competent court of criminal jurisdiction outside India, as the case may be.*

3.1 The Adjudicating Authority presently is seized of the Original Complaint filed before it by the Enforcement Directorate on 07.04.2025 and the said plea of breach of Section 8 (3) (a) of PMLA can very well be raised before the Adjudicating Authority.

4. In view of above, this Court declines interference in the matter and extends liberty to the petitioner to raise the said plea of breach of Section 8 (3) (a) of PMLA before the Adjudicating Authority, which if raised within a period of 15 days from today along with a copy of this order, shall be considered and decided by the Adjudicating Authority before proceeding further.

5. Accordingly, this petition stands disposed of with aforesaid liberty.

(SHEEL NAGU)
CHIEF JUSTICE

(SANJIV BERRY)
JUDGE

July 03, 2025
narotam

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No