



\$~29

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

+ **MISC. APPEAL(PMLA) 29/2024 & CM APPL. 59678/2024
(Stay)**

RAJ KUMAR JAIN

.....Petitioner

Through: Mr. Pavan Narang, Sr. Adv.
with Mr. Himanshu Sethi and
Ms. Aishwarya Chhabra, Advs.

versus

**DIRECTORATE OF ENFORCEMENT
& ORS.**

.....Respondents

Through: Mr. Ravi Prakash, Sr. Adv. with
Mr. Arkaj Kumar, SC with Mr.
Aakarsh Mishra, Mr. Ishank Jha
and Ms. Vaishnavi Bhargava,
Advs.

CORAM:

HON'BLE MR. JUSTICE YASHWANT VARMA

**HON'BLE MR. JUSTICE HARISH VAIDYANATHAN
SHANKAR**

**ORDER
10.03.2025**

%

1. We take note of the principal reliefs which are claimed in the instant appeal and which read as follows: -

“a. Allow the present appeal and set aside the order dated 14.06.2024 passed by the Ld. Appellate Tribunal (PMLA) in FPA-PMLA-2680/DLI/2018 titled as Raj Kumar Jain Versus Directorate of Enforcement,

b. Set aside all the proceedings, acts & actions of the Respondent initiated pre & post issuance of the Provisional Attachment Order No. 07/2018 dated 29.03.2018 in ECIR No. 116/DZ/2009 dated 12.11.2009 attaching Appellant's 50 percent share in the property situated at House No. 71, Block B, Pocket 10, Sector 13, Dwarka, New Delhi-110045, confirmed by Adjudicating Authority by order dated 12.09.2018 in Original Complaint No. 966/2018 under Section 8(5) of the Act and further upheld by the Ld' Appellate Tribunal (ATPMLA) by impugned order dated 14.06.2024 being illegal; without jurisdiction; being against the principles of natural



justice; and against the settled law.

c. To allow the present appeal by quashing the impugned judgment arising from impugned PMLA proceedings and to release the attached property bearing address House No. 71, Block B, Pocket 10, Sector 13, Dwarka, New Delhi-110045 (subject property),

d. Pass any other order as the Hon'ble High Court may deem fit and proper in the facts and circumstances of the case.”

2. The appellant had approached this Court aggrieved by the affirmation of the Provisional Attachment Order by the Appellate Tribunal under the **Prevention of Money Laundering Act, 2002**¹. The attachment order itself had been made on 29 March 2018 in respect of House No. 71, Block B, Pocket 10, Sector 13, Dwarka, New Delhi 110045 and which was ultimately confirmed by the Adjudicating Authority in terms of its order dated 12 September 2018.

3. We are however informed by Mr. Ravi Prakash, learned senior counsel who appears for the respondent, that the attached property was subject to a security interest which was created thereon in favour of City Union Company Limited.

4. Aggrieved by the attachment, City Union Bank itself appears to have instituted proceedings represented by the institution of MISC. APPEAL(PMLA) 25/2024 before this Court. That appeal came to be disposed of by us on 18 December 2024 on the following terms: -

“1. We take on board the statement made by learned counsel appearing for the Enforcement Directorate who on instructions states that in light of the orders passed by the Supreme Court on 11 December 2024 in **Committee of Creditors of Bhushan Power & Steel Limited v. Directorate of Enforcement** [SLP Nos. 29327-29328/2019], the respondents shall take appropriate steps for restitution of the property which had been attached. The statement so made is recorded and accepted.

2. In view of the aforesaid, the appeal stands disposed of.”

¹ Act



5. In view of the aforesaid, it is manifest that presently and as things stand today, the attached properties have reverted to City Union Company Limited. The appellant here was proceeded against in respect of the property in question with the respondent solely invoking the principles of “property equivalent thereto” as adopted by the Act. We, however, find that the said challenge as raised is clearly rendered academic in light of the subsequent developments.

6. Consequently, while we dispose of this appeal, we leave it open to the appellant to institute such further proceedings as may be deemed appropriate in case any fresh action is initiated by the Enforcement Directorate. All rights and contentions of respective parties on merits are kept open.

YASHWANT VARMA, J.

HARISH VAIDYANATHAN SHANKAR, J.

MARCH 10, 2025/DR