



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

CWP-10174-2026

Date of decision: 6th April, 2026

Rahul Panwar & another

... Petitioners

Versus

Union of India & another

... Respondents

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

Present: Mr. Vinod Ghai, Senior Advocate (arguing counsel) with
Mr. Sajal Bansal, Mr. Arnav Ghai, Mr. Deepanshu Bansal and
Mr.R.S. Bagga, Advocates for the petitioners.

Mr. Zoheb Hossain, Special Counsel for ED (arguing counsel)
(through Video Conferencing) with
Mr. Lokesh Narang, Sr. Panel Counsel, Mr.Rajeev Bagoria
and Ms. Nitya, Advocates for the respondents/ED.

SHEEL NAGU, CHIEF JUSTICE

1. Present petition filed under Articles 226/227 of the Constitution
prays for the following relief:

- (i) Release of properties mentioned at Serial No.181 in the
name of the petitioners of Table-A (Schedule of properties) at
Para 5 and 5.1 of the Provisional Attachment Order (PAO)
No.7/2024 dated 09.08.2024 (Annexure P-2) passed by
respondent No.2 and direct the Substitution thereof with any
equivalent amount of security by way of a Bank Guarantee or
FDR (Fixed Deposit Receipt) or any other mode of security
amounting to ₹ 3,85,40,000/- (Value on which the Provisional

Attachment has been made by Respondent No.2) as this Court may deem fit in the facts and circumstances of the case;

(ii) At the interim/ad-interim stage, this Court may be pleased to:-

a. Direct provisional release of the properties of petitioners provisionally attached by the Respondent No.2 vide Provisional Attachment Order No.7/2024 dated 09.08.2024;

b. Permit the petitioners to utilize, develop and carry forward the subject land in accordance with the duly granted statutory license and approved project, so as to enable timely completion and delivery of the housing project to its intended beneficiaries;

(iii) Dispense with the service of the advance notices upon the respondents;

(iv) Pass such other or further order(s) or direction(s) as this Court may deem fit in the peculiar facts and circumstances of the case in favour of the petitioners;

(v) Exempt the petitioners from filing the certified/original as well as true typed copies of Annexure P-1 to P-10 and permit the petitioners to place on record the photocopies of the same in the interest of justice.

2. After hearing learned counsel for the rival parties (Mr. Zoheb Hossain, Special Counsel for ED on advance notice on behalf of the respondents appears virtually), it appears that the substantive grievance of the petitioners before this Court is that both the petitioners hold the property in question jointly and seek a direction for release of the said property in lieu of equivalent security of Bank Guarantee/FDR or any other mode of

security amounting to ₹3,85,40,000/-, the value on the basis of which the provisional attachment order dated 09.08.2024 has since been confirmed vide order dated 30.01.2025.

3. Learned counsel for respondent/ED, Mr. Zoheb Hossain, Special Counsel for ED, appearing virtually, contends that no prayer of similar nature has been made before the competent authority i.e. Deputy Director of the Directorate of Enforcement and thus, the petitioners should be relegated to make this prayer before the competent authority.

4. Learned senior counsel for petitioners, relying upon Rule 5(5) of The Prevention of Money-Laundering (Taking Possession of Attached or Frozen Properties Confirmed by the Adjudicating Authority) Rules, 2013 (for short, 'the Rules'), contends that the immovable property which includes land, building, house, flat etc. and is under joint ownership and in regard to which the adjudicating authority has confirmed the order of provisional attachment, in regard to that the authorized officer is entitled to accept the equivalent value of fixed deposit to the extent of value of the share of the concerned person in the property estimated by authorized officer to be involved in money laundering. For ready reference and convenience, Rule 5(5) of the aforesaid Rules is reproduced below:

“5. *Manner of taking possession of immovable property. –*

XXXX XXXX XXXX
XXXX XXXX XXXX

(5) *Where the immovable property confirmed by the Adjudicating Authority is in the form of a land, building, house, flat etc., and is under joint ownership, the authorized officer may accept the equivalent value of fixed deposit to the extent of the value of the share of the concerned person in the property estimated by the authorized officer, to be involved in money laundering;”*

5. It is not disputed at the Bar by learned counsel for rival parties that the authorized officer, i.e. Deputy Director of the Directorate of Enforcement, has not been approached by the petitioners.

6. In view of the above and since a conscious decision has to be taken by the authorized officer as to the nature of the property and its joint ownership contemplated in Rule 5(5) of the Rules, it could be appropriate to allow the petitioners to approach the authorized officer before this Court embarks upon the process of adjudication.

7. Consequently, this Court refraining from interfering into the merits of the matter, relegates the petitioners to apply before the jurisdictional Authorized Officer, which, if done within a period of 15 days from today along with a copy of this order, shall be considered and decided on its own merits by the jurisdictional Authorized Officer by passing a speaking order and communicating the same to the petitioners within a further period of 15 days.

8. The petition stands disposed of with the aforesaid liberty.

(SHEEL NAGU)
CHIEF JUSTICE

(SANJIV BERRY)
JUDGE

April 6, 2026
rps

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