



2026:DHC:606-DB



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IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of decision: 23.01.2026

+ **MISC. APPEAL(PMLA) 1/2022 & CRL.M.A. 2016/2020,**
CRL.M.A. 2018/2020

THE DEPUTY DIRECTOR, DIRECTORATE OF
ENFORCEMENTAppellant

Through: Mr.Zoheb Hossain, Special
Counsel with Mr.Vivek
Gurnani, Panel Counsel,
Mr.Kartik Sabharwal and
Mr.Satyam, Advs.

versus

M/S PMT MACHINES LIMITEDRespondent

Through: Mr.Rajesh Rattan, Adv.

CORAM:

HON'BLE MR. JUSTICE NAVIN CHAWLA

HON'BLE MR. JUSTICE RAVINDER DUDEJA

NAVIN CHAWLA, J. (ORAL)

1. This appeal has been filed under Section 42 of the Prevention of Money Laundering Act, 2002 (hereinafter referred to as, the 'PMLA'), challenging the order dated 16.06.2019 passed by the learned Appellate Tribunal (PMLA) in FPA-PMLA-2792/DLI/2019, titled *M/s. PMT Machines Ltd. v. The Deputy Director, Directorate of Enforcement, Delhi*, allowing the appeal filed by the respondent herein, with the following observations and directions:

"32. This order is being passed in relation to mortgage properties in favour of banks which



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are not purchased from proceeds of crime. The same were purchased and mortgage with the banks prior to the of crime period. ED is not precluded to attach other private properties and all other assets of the alleged accused.

33. It is clarified that this order shall have no bearing in any proceedings initiated against the alleged accused including extradition proceedings pending or proposed to be initiated in any part of the world. Those are to be considered as per law and without any influence of this order which is being passed in the interest of public as bank money is a public money. Most of the banks are public sector banks. Their valid and legal recovery cannot be blocked for years without valid reasons. Therefore, the issue in hand is being decided only for limited purposes

34. In view of the above, the impugned order is pertaining to the appellant is set-aside. Consequently, the provisional attachment order also quashed by allowing the appeal."

2. During the pendency of the present appeal, by an order dated 03.06.2022 passed by the learned National Company Law Tribunal, Mumbai Bench in C.P.(IB)-2469/MB/2018, the Resolution Plan submitted by the Resolution Applicant, namely, Mrs. Monica Shah, has been approved.

3. Further, the Supreme Court, *vide* order dated 19.11.2025 passed in W.P.(Crl.) No. 37/2020 and W.P.(Crl.) No. 48/2020, has been pleased to quash the criminal proceedings initiated against the petitioners therein in view of the full and final settlement with the lender banks and investigating agencies.

4. In view of the above developments, the learned counsel for the



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appellant has placed before us the written instructions received by him vide an e-mail dated 22.01.2026, which reads as under:

“In view of the Supreme Court Judgement, the FIRs which are the predicate offences in this case as well as the proceedings under PMLA, initiated by ED against the Sterling group have been quashed, therefore we may seek to withdraw the present appeal with a request to the High Court that the attached properties which have been released by the tribunal in the present case which are the subject matter of appeal may be treated as restitution under the second proviso to Section 8(8) of the PMLA in light of the decisions in Kalyani transco, and other cases where the Supreme Court has permitted similar restitution.”

5. Placing reliance on the order dated 11.12.2024 passed by the Supreme Court in SLP(C) Nos. 29327-29328/2019, titled ***Committee of Creditors v. Directorate of Enforcement & Ors.***, and other similar orders, the learned counsel for the appellant submits that the subject properties be deemed to have been released to the successful Resolution Applicant in terms of Section 8(8) of the PMLA read with Rule 3A of the Prevention of Money Laundering (Restoration of Property) Rules, 2016, without prejudice to the rights and contentions of the respective parties.

6. Though the learned counsel for the respondent submits that in view of the order passed by the learned Appellate Tribunal impugned in the present appeal, the attachment of the properties in question has itself been held to be without jurisdiction, we are of the opinion that, in view of the subsequent developments, the present appeal has, in fact, been rendered academic in nature.



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7. Accordingly, leaving the question of law open, we direct that, without prejudice to the rights and contentions of either of the parties, the subject properties be treated to have been restored under Section 8(8) of the PMLA and the possession handed over to the Resolution Applicant, namely, Mrs. Monica Shah.

8. With the above direction, the appeal, alongwith the pending applications, is disposed of.

NAVIN CHAWLA, J

RAVINDER DUDEJA, J

JANUARY 23, 2026/sg/Yg