



2026:DHC:1527-DB



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IN THE HIGH COURT OF DELHI AT NEW DELHI***Date of decision: 20.02.2026***

+ MISC. APPEAL(PMLA) 9/2024
JM FINANCIAL ASSET RECONSTRUCTION COMPANY
LIMITEDAppellant

Through: Ms.Shruti Raina, Ms.Priyal
Sarawagi and Mr.Vansh Dhall,
Advs.

versus

DEPUTY DIRECTOR, DIRECTORATE OF
ENFORCEMENT, MUMBAI & ANR.Respondents

Through: Mr.Anurag Jain, Adv. for
ED/R-1

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, 'PMLA'), challenging the order dated 26.04.2024 passed by the learned Appellate Tribunal under SAFEMA, New Delhi in Appeal bearing No. FPA-PMLA-3223/MUM/2019, dismissing the appeal filed by the appellant herein with the following direction:

“32. It is however clarified that the outcome of the appeal would not affect the right of the appellant ultimately if the subject property is taken under section 8 (8) of the Act of 2002, rather they would be at liberty to make rightful claim under section 8 (8) of the Act of 2002. In



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case of acquittal of the accused, resulting in re-release of property from attachment, again the appellants can pursue their rights for which this order would not come in their way.”

2. The learned counsel for the respondent no. 1 raises a preliminary objection on the maintainability of the present appeal before this Court. He submits that not only is the appellant, even as per the Memo of Parties, situated in Mumbai, the entire proceedings have also taken place in Maharashtra. He submits that the jurisdiction of this Court has been invoked only because the Appellate Tribunal is situated at Delhi and certain previous appeals had been filed before this Court, wherein no objection to the maintainability of the same had been taken by the respondent, however, the same cannot vest jurisdiction in this Court.

3. On the other hand, the learned counsel for the appellant submits that the appellant is also working for gain in Delhi, because of which, this Court would have territorial jurisdiction to entertain the present appeal in terms of Explanation attached to Section 42 of the PMLA.

4. She further submits that a part of cause of action has arisen within the territorial jurisdiction of this Court, inasmuch as, the learned Appellate Tribunal has passed its order at Delhi.

5. Lastly, she submits that this Court had entertained the previous appeal, that is, MISC. APPEAL(PMLA) 1/2021, titled ***JM Financial Asset Reconstruction Company Limited v. Deputy Director, Directorate of Enforcement, Mumbai & Anr. & Ors.***, and disposed of the same by its judgment dated 04.05.2022. At that stage, no objection



to the maintainability of the appeal was taken and, therefore, it is now too late for the respondent to raise this objection.

6. We have considered the submissions made by the learned counsels for the parties.

7. The Memo of Parties itself reflects that the appellant is situated and working for gain at Mumbai. It is only on the objection being taken by the respondent that the plea of the appellant working for gain in Delhi has been taken.

8. Furthermore, the jurisdiction of this Court has been invoked by making the following averment in the appeal:

“7. Respondent No. 1 is located within the territorial jurisdiction of this Hon’ble Court and the Appellate Tribunal is located within the territorial jurisdiction of this Hon’ble Court. Further, as mentioned hereinabove, the previous appeal filed by the Appellant under Section 42 of the PMLA was also filed before this Hon’ble Court in very same matter and was finally decided. Hence, this Hon’ble Court has the jurisdiction to hear the present matter and grant the reliefs being sought herein.”

9. Section 42 of the PMLA reads as under:

*“42. **Appeal to High Court.**-- Any person aggrieved by any decision or order of the Appellate Tribunal may file an appeal to the High Court within sixty days from the date of communication of the decision or order of the Appellate Tribunal to him on any question of law or fact arising out of such order: Provided that the High Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.*

Explanation.--For the purposes of this section, “High Court” means—



(i) *the High Court within the jurisdiction of which the aggrieved party ordinarily resides or carries on business or personally works for gain; and*
(ii) *where the Central Government is the aggrieved party, the High Court within the jurisdiction of which the respondent, or in a case where there are more than one respondent, any of the respondents, ordinarily resides or carries on business or personally works for gain."*

10. A reading of the above provision would show that it is only the High Court where the aggrieved party is residing or carrying on business or personally working for gain, that would have jurisdiction to entertain the appeal. Mere presence of the learned Appellate Tribunal at Delhi would not vest this Court with the territorial jurisdiction to entertain this appeal.

11. Even otherwise, the cause of action for filing of the appeal arose within the State of Maharashtra, and this is not disputed by the appellant.

12. Merely because this Court entertained the earlier appeal filed by the appellant, without an objection being raised on its maintainability by the respondent, would not vest jurisdiction in this Court. It is a well-settled law that parties cannot vest jurisdiction in a Court, which otherwise lacks jurisdiction, by their consent. The jurisdiction of this Court has to be determined in terms of the statutory provisions for the same. As noted hereinabove, in view of the Explanation attached to Section 42 of the PMLA, this Court, would lack territorial jurisdiction to entertain the present appeal.

13. The appeal is, accordingly, dismissed. However, we leave it



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open to the appellant to avail of its remedies in accordance with law before a Court of appropriate jurisdiction.

NAVIN CHAWLA, J

RAVINDER DUDEJA, J

FEBRUARY 20, 2026/sg/ik

Signature Not Verified

Digitally Signed

By:REYMON VASHIST

Signing Date:21.02.2026

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