

APPELLATE TRIBUNAL UNDER SAFEMA AT NEW DELHI

MP-PMLA-5441/RNC/2024 Exemp.
MP-PMLA-4588/RNC/2024 Exemp.
MP-PMLA-4586/RNC/2024 Stay
FPA-PMLA-1984/RNC/2024

M/s Bhagwandas Holdings Pvt. Ltd. ... Appellant

Versus

The Deputy Director,
Directorate of Enforcement, Ranchi ... Respondent

Advocates/Authorized Representatives who appeared

For the Appellants : Mr. Rohit Sharma, Rajesh Inamdar,
Ravanta Solanki, Advocates

For the Respondent : Mr. Himanshu Jain, Advocate

CORAM

SHRI V. ANANDARAJAN : MEMBER

ORDER
25.09.2025

Miscellaneous Application numbered as MP-PMLA-4586/RNC/2024 for release of BMW X7 car of 2021 is argued from both sides. It is stated that the car was seized on 29.01.2024.

Ld. Counsel for the appellant submitted that prosecution complaint as well as the supplementary prosecution complaint has been filed in the present case and neither the appellant has been made accused in the prosecution complaint nor the car in question has been proposed for confiscation. He further submits that the application was filed by him on 22.11.2024 and despite several opportunities from 17.03.2025 and onwards, no reply has been filed or instructions have been provided by the Directorate to the Ld. Counsel as regards the relief sought in the IA.

He further pointed out that as per the Rule 4 (2) read with Section 8 of the PMLA, where the movable property is a mode of conveyance, the authorised officer after obtaining its evaluation report from the motor licensing authority or another authority, may accept and retain the fixed deposit of nationalised banks equivalent to the movable property or security and send report to the

Special Court or Ld. Adjudicating Authority, as the case may be, for information and appropriate action.

He submits that the action as provided in the rules has also not been taken by the Directorate. As such, there is no justification for the Directorate to retain the said property.

He also submitted that in paragraph 45 of the reply filed by the respondent Directorate, it is stated as below:

“it is admitted by respondent that the car in question has not been shown as proceeds of crime in the prosecution complaint, nevertheless, it is claimed that it could still be retained by Directorate for further investigation.

Ld. Counsel for the respondent submitted that more time is required to complete the instructions. He further submitted that as per his instructions, the car represents the proceeds of crime.

I have considered the submissions from both sides. It is not in doubt that a period of nearly one year and nine months have elapsed since the seizure of the car in question. Several opportunities have already been provided to the counsel for the respondent to seek instructions on the release of the car.

It is also an admitted position that two prosecution complaints have been filed and neither the present appellant who is the owner of the car, has been made accused nor the car itself has been proposed for confiscation as proceeds of crime in either of the prosecution complaints filed. This fact belies the bland assertion that it represents Proceeds of Crime. Rapidly depreciating asset like a car cannot be allowed to be retained indefinitely based on a vague anticipation that further investigation may reveal that it represents proceeds of crime.

Under the circumstances, the application for release of the car is allowed and the Directorate is directed to release the car to the appellant within six weeks.

Appellants are, however, directed not to alienate or otherwise deal with the car, for a period of one year and to maintain it in good running condition.

The Directorate would be at liberty to file prosecution complaint and take all necessary action as per law against the appellants, in case, further investigations reveal their involvement in the case.

It is submitted by the Ld. Counsel for the appellants that nothing further would survive in this appeal after the release of the car since the devices seized in the search operations had already been released vide earlier order of this Appellate Tribunal dated 22.05.2025. Accordingly, the appeal would also stand disposed of with the directions as issued vide earlier order dated 22.05.2025 as well as the present order of this Appellate Tribunal.

(V. Anandarajan)
Member

New Delhi
25th September, 2025
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