

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (Crl.) No. 265/2024

[Arising out of impugned final judgment and order dated 27-06-2023 in IA No. 3/2022 passed by the High Court of Sikkim at Gangtok]

THE JOINT DIRECTOR & ANR.

PETITIONER(S)

VERSUS

EASTERN INSTITUTE FOR INTEGRATED LEARNING
IN MANAGEMENT UNIVERSITY & ANR.

RESPONDENT(S)

[ONLY SLP(C) No. 4027/2025 IS LISTED UNDER THIS ITEM.]

WITH

SLP(C) No. 4027/2025 (IV-B)IA No. 36570/2025 - EXEMPTION FROM FILING C/C OF THE IMPUGNED
JUDGMENT

Date : 30-06-2025 This petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE PAMIDIGHANTAM SRI NARASIMHA
HON'BLE MR. JUSTICE R. MAHADEVAN

(PARTIAL COURT WORKING DAYS BENCH)

For Petitioner(s) Dr. Abhishek Manu Singhvi, Sr. Adv.
Mr. Vikram Chaudhary, Sr. Adv.
Mr. Atul Nanda, Sr. Adv.
Mr. Rajat Joneja, Adv.
Mr. Yash Verma, Adv.
Mr. Avishkar Singhvi, Adv.
Mr. Ashish Garg, Adv.
Mr. Rishi Sehgal, Adv.
Ms. Muskaan Khurana, Adv.
Mr. Nikilesh Ramachandran, AOR

Mr. Tushar Mehta, Solicitor General(N/P)
Mr. Suryaprakash V. Raju, A.S.G.(N/P)
Mr. Zoheb Hossain, Adv.
Mr. Kanu Agrawal, Adv.
Mr. Prasenjeet Mohapatra, Adv.
Ms. Saumya Tandon, Adv.
Mr. Mayank Pandey, Adv.
Mr. Arvind Kumar Sharma, AOR
Ms. Bhawna Gandhi, Adv.

Ms. Akshita Gupta, Adv.

For Respondent(s) Ms. Sonali Jain, AOR

Mr. Arvind Kumar Sharma, AOR

UPON hearing the counsel, the Court made the following
O R D E R

SLP(C) No. 4027/2025

1. Pending disposal of the present Special Leave Petition, there is a prayer for interim relief, which is as follows:

“(b) Without prejudice to the rights and contentions of the petitioners and as offered them *“under protest”* to the Respondent No. 2, this Hon’ble Court may be pleased to direct the Respondents to substitute the provisionally attached property with that of any of the unencumbered marketable assets in the interest of justice.”

2. At our request, Mr. Zoheb Hossain, learned counsel appearing on behalf of respondent No. 2 filed an affidavit in response to the above referred prayer. The relevant portion of which is as follows:

10. “VALUATION OF ASSETS PROPOSED FOR SUBSTITUTION BY THE PETITIONER:

a) The petitioner, M/s M3M India Pvt. Ltd. ("M3M"), has filed the present Special Leave Petition (SLP) before the Hon'ble Supreme Court seeking substitution of the properties attached under Provisional Attachment Order No. 06/2024 dated 18.07.2024. The

property proposed for substitution comprises unsold commercial units within the project titled "M3M Broadway," located in Village Fazilpur Jharsa, Gurugram, Haryana.

b) In order to assess the fair market value of the said commercial units, this Directorate engaged the services of M/s CSV Techno Solutions LLP, valuator registered with Income Tax Department. As per the valuation report dated 14.05.2025, the assessed fair market value of the 274 commercial units offered for substitution amounts to Rs. 275 crores.

c) M/s M3M India Private Limited submitted an additional affidavit before the Hon'ble Court on May 17, 2025, proposing additional commercial units from the same project to be utilised for substitution of attached assets. This Directorate subsequently forwarded the details of these additional units to M/s CSV Techno Solutions LLP for valuation. On May 20, 2025, M/s CSV Techno Solutions LLP submitted a separate valuation report for the newly proposed units, estimating their fair market value at ₹42 crores.

Accordingly, the consolidated valuation of the assets is as follows:

Sr. No.	No. of Units	Value (in crores)	Remarks
1.	274	275	Valuation report dated 14.05.2025
2.	43	42	Valuation report dated 20.05.2025
Total		INR 317 Crores	

“

3. Mr. Zoheb Hossain, further submitted that the Enforcement Directorate is agreeable to the substitution of the property, but he would request it to be subject to certain conditions. It is further submitted that the following conditions may be incorporated in the order:-

"10.	xxx	xxx	xxx
d)	xxx	xxx	xxx

i. Submission of No Encumbrance Certificate: The petitioner shall establish clear and marketable title along with undisputed ownership of the assets proposed for substitution, supported by verifiable documentary evidence, to the satisfaction of the Hon'ble Court. The substituted assets must be free from all encumbrances, including mortgages, liens, pledges or any third-party claims or security interests and a certificate to this effect must be submitted by the petitioner.

ii. Undertaking not to alienate: The petitioner must provide a notarized undertaking that the substituted property will not be sold, transferred, or otherwise alienated during the pendency of proceedings.

iii. Submission of Title Documents: Original title documents of the substituted property must be deposited with the ED or the court, with a formal acknowledgment.

iv. Indemnity Bond: The defendant must furnish an indemnity bond to indemnify the ED/government in case of any loss or legal deficiency arising from the substitution.

v. Undertaking to safeguard the third party rights

created for other commercial units of the project:
Transactions involving third-party retail buyers/investors for other commercial units in the project (M3M Broadway) shall remain unaffected by the present enforcement proceedings. The petitioner shall not rely on the pendency of such proceedings to obstruct or delay legitimate transactions, registrations, or project progress. This is to safeguard the interests of genuine purchasers and uphold the commercial viability of the overall project.

vi. Consent to hand over possession of alternate assets in the event of confirmation of attachment by Ld. Adjudicating Authority:

In the event of confirmation of attachment with respect to the alternate assets by Ld. Adjudicating Authority, the petitioner shall hand over possession of alternate assets to ED.

vii. Disclosure of Source of Acquisition Funds:
The petitioner shall provide a complete and transparent disclosure of the source of funds used to acquire the substituted assets, with supporting financial records, to ensure the substituted assets are untainted and not derived from proceeds of crime.

viii. Cooperation with Investigation: The petitioner shall continue to fully cooperate with the investigation by the ED or any other authority under the PMLA and shall produce any documents or appear for inquiry when required.

ix. No Prejudice to Ongoing Investigation or Trial:
Substitution of properties shall be without prejudice to the rights of the Directorate of Enforcement and shall

not be construed as an acknowledgment of the legality of the source or legitimacy of the attached properties. It shall not affect the merits of the ongoing investigation or trial."

4. We have heard Dr. Abhishek Manu Singhvi, learned senior counsel appearing for the petitioner and considered the matter in detail. The petitioners, namely, M/s. M3M India Pvt. Ltd. and M/s. M3M India Infrastructure Pvt. Ltd. have also filed an affidavit agreeing to the conditions.

5. While we allow the substitution of the property as indicated in paragraphs 10(a), 10(b) and 10(c) in the additional affidavit, the same shall be subject to the conditions as specified in paragraphs 10(d)(i) to 10(d)(ix).

6. It is also agreed by the learned counsel appearing for the parties that after this order, nothing really survives in the Special Leave Petition. The Special Leave Petition stands disposed of in the above terms.

7. We also make it clear that this order passed in the facts and circumstances of the case and shall not be treated as a precedent.

8. Pending application(s), if any, shall stand disposed of.

(BABITA PANDEY)
ASTT. REGISTRAR-CUM-PS

(NIDHI WASON)
COURT MASTER (NSH)