

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UNSTARRED QUESTION NO. 3586

TO BE ANSWERED ON MONDAY, THE 16TH MARCH, 2020

PHALGUNA 26, 1941-42 (SAKA)

Confiscation of Property by ED

3586. SHRIMATI DARSHANA VIKRAM JARDOSH:

Will the Minister of FINANCE be pleased to state:

- (a) the details of approximate value of property confiscated by the Enforcement Directorate (ED) during the last five years alongwith the funds deposited in exchequer of the country by the ED after auction of the said property as on date;
- (b) whether the ED has made any arrangements for auction of the confiscated property in transparent manner; and
- (c) if not, the time by which a concrete policy is proposed to be formulated for this purpose alongwith the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

a) During the course of investigations under the Prevention of Money Laundering Act, 2002 (PMLA), the Directorate of Enforcement (ED) provisionally attaches immovable and movable properties which are suspected to be acquired from out of Proceeds of Crime. Thereafter the Directorate files Prosecution Complaint before the designated PMLA Special Court praying for conviction of entities accused of money laundering offence and confiscation of attached properties. On conclusion of trial, the Special Court may order confiscation of attached properties in case offence of money laundering is made out. The order of Special Court is subject matter of further appeal before various judicial forums including High Courts and Supreme Court. Accordingly, confiscation of attached properties attains finality only after all related litigations are disposed and the confiscation is upheld. Only after finalization of such litigations the confiscation becomes absolute and the confiscated properties vest with the Government, such properties can be sold.

ED also enforces the provisions of Foreign Exchange Management Act, 1999 (FEMA) during which the movable and immovable properties acquired in contravention to the provisions of FEMA and related RBI regulations are ordered to be confiscated during the process of adjudication. However such confiscation also attains finality only after such confiscation is upheld in further appeals before various judicial forums.

The details of approximate value of movable property confiscated by ED which is deposited in exchequer of the country by ED during the last 05 years are as under :

Under Prevention of Money Laundering Act, 2002	Under Foreign Exchange Management Act, 1999
Rs. 92.70 crores	Rs. 4.23 crores.

(b) & (c) Till now no case involving confiscation of immovable property under PMLA or FEMA has attained finality. Therefore, no auction of confiscated property has been done by the Directorate. As and when the situation will come, the Directorate will auction the confiscated properties in a fair and transparent manner.
