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NEWSLETTER

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JUDGEMENTS

1. OPTO Circuit India Ltd. Vs. Axis Bank & Ors.

If a statute provides for a thing to be done in a particular manner then the same has to be done in that manner alone and in no other manner – Supreme Court of India

The present appeal has been filed by Appellant raising the issue relating to the freezing of their bank account under Section 17 of the Prevention of Money-Laundering Act, 2002 (PMLA). The Appellant has contended that freezing of their bank accounts has prejudiced the Appellant. The court, however, had not found any reason to interfere with the initiation of the proceedings under PMLA. The subject matter herein related is that, whether the action taken by the CBI for alleged offence and the proceedings under PMLA initiated by Directorate of Enforcement had complied with the procedure provided under Section 17 of PMLA.

The Hon'ble Apex Court observed that a perusal of Section 17 of PMLA would indicate that the pre-requisite is that the Director or such other Authorised Officer in order to exercise the power under said Section, should on the basis of information in his possession, have reason to believe that such person has committed acts relating to money laundering and there is need to seize any record or property found in the search. Also, such belief of the officer should be recorded in writing. As per the settled

position, if a statute provides for a thing to be done in a particular manner then it has to be done in that manner alone and in no other manner.

Link:

https://main.sci.gov.in/supremecourt/2020/18562/18562_2020_31_1501_25891_Judgement_03-Feb-2021.pdf

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