

**IN THE COURT OF MS. ANJU BAJAJ CHANDNA
PRINCIPAL DISTRICT & SESSIONS JUDGE-CUM-SPECIAL
JUDGE (PC ACT) CBI, ROUSE AVENUE DISTRICT COURTS,
NEW DELHI**

CT No. 05/2025

ECIR/DLZO-I/10/2024

CNR No. DLCT11-000110-2025

ED vs Shaw & Brothers & Ors.

Appearance:

Sh. Shailesh N. Pathak and Sh. Atul Sharma, Ld.
SPPs for ED along with Advocate Sh. Minal
Radhewal.

IO Ms. Priyanka Sharma, Assistant Director, ED.

ORDER

1. The present prosecution complaint has been filed by Enforcement Directorate against the accused persons (mentioned therein) for the commission of offence under Section 3 read with Section 70 punishable under Section 4 of Prevention of Money Laundering Act 2002.

2. The facts in brief are that M/s Shaw and Brothers, No. 6, Hotel Intercontinental, Barakhamba Road, Connaught Place, New Delhi-110001 having IEC Code-1801000841, and registered with Goods & Service Tax Department vide GSTIN No. 07AAOFS8284N1Z5 had filed Shipping Bill No. 1646046 dated 29.01.2019 for export of Pashmina wool embroidery/plain Shawls

(Total 13 pcs) through then authorized Customs Broker, namely M/s Phenomenal Logistics (CHA Licence No.- BEVPS0859HCH001).

3. The Wildlife Inspector, Wildlife Crime Control Bureau (NR) examined the goods on 30.01.2019 and on examination of goods, gave his remarks as under:-

"Examined custom referred shipment found correct except 01 pc of shawl which is suspected to be Shahtoosh shawl. It appears to contain guard hair of Tibetan Antelope (chiru) which is listed in Schedule-1 of Wildlife (P) Act, 1972 and Appendix 1 of CITES. Custom may send the shawl to forensic lab of 'Wildlife Institute of India' Dehradun for final confirmation please."

4. Accordingly, samples were drawn under Panchnama dated 19.02.2019 by Customs Authorities. On examination of the export goods covered under the Shipping Bill No. 1646046 dated 29.01.2019, the Wildlife Inspector, segregated 01 piece of shawl and the same was sealed by the Customs officials. The sealed sample containing One (01) piece of Shawl drawn against the Shipping Bill No. 1646046 dated 29.01.2019 were forwarded to the Wildlife Institute of India, Dehradun, Uttarakhand for testing. Thereafter, Senior Technical Officer, Wildlife Forensic & Conservation Genetics Cell, WII, Dehradun forwarded the Lab Analysis Report vide letter No. F#/WII/WFC/F-3866/2019 dated 17.06.2019. The 'Lab Analysis Report' confirmed that the sample contains guard hair

of Tibetan Antelope (*Panthelops hodgsoni*) which is listed in Schedule-1 of Wildlife (Protection) Act, 1972 and also listed in Appendix-1 of CITES. Therefore, it was confirmed that the shawl contains guard hair of Tibetan Antelope (*Panthelops hodgsonii*) and the export of the same is prohibited in terms of the Customs Act, 1962 and the rules made/notifications issued thereunder read with Schedule-I of the Wildlife (Protection) Act, 1972 and Appendix-1 of CITES. Subsequently, the Customs Authorities filed complaint with CBI, EO-II, New Delhi for investigation under Wildlife (Protection) Act, 1972.

5. On the basis of complaint filed by the Custom Authorities, Central Bureau of Investigation had registered an FIR RC 2202023E0004 dated 27.02.2023, u/s 120B IPC and sec 51 r/w 39, 40, 44, 49, 49-B and 58 of Wildlife Protection Act, 1972. After investigation, CBI has filed Complaint dated 30.06.2023 under Section 55 of Wildlife (Protection) Act, 1972 against accused firm M/s Shaw and Brothers through its partners Shri Miftah Majid Shaw and Shri Mubashir Ahmed Shaw to launch prosecution against the accused for the offences punishable u/s 120-B of IPC r/w sec 51 r/w sec 40, 49, 49-B & 58 of Wildlife (Protection) Act, 1972.

6. CBI after completion of its investigation filed the complaint before the competent court with respect to launch prosecution against the accused persons for the above said offences and on the basis of the same, on 04.04.2024, the present ECIR

(DLZO-I/10/2024) was registered against the accused persons for investigation under Prevention of Money Laundering Act 2002.

7. During the course of investigation statements of Miftah Majid Shaw, Mubashir Ahmed Shaw, Sanjay Kumar Singh, Jaswant were recorded under Section 50 of PMLA 2002. Miftah Majid Shaw and Mubashir Ahmed Shaw in their statements recorded under Section 50 of PMLA have accepted that 01 shawl which was seized by the customs authorities for containing guard hair of Tibetan Antelope (which is also known as shahtoosh wool), was part of their consignment of 13 shawls which were being exported to a foreign buyer in Italy. The custom authorities had forwarded that shawl to Wildlife Institute of India and it was confirmed by them that the said 01 shawl contains guard hair of Tibetan Antelope.

8. It is stated that Tibetan Antelope (scientific name – *Pantholops hodgsonii*) commonly known as shahtoosh shawl, is a prohibited item under Section 49B (1) (a) (i) of the Wild Life Protection Act 1972 and is considered “Proceeds of Crime” under Section 2 (1)(u) of PMLA 2002 read with Section 2 (1)(v) of PMLA 2002 as it was obtained through criminal activities related to a scheduled offence.

9. ED has cited three accused persons in the present complaint. The role of accused persons in brief are as under:-

A-1 M/s Shaw and Brothers run through its partners Miftah Majid Shaw and Mubashir Ahmed Shaw is knowingly involved in the process and activity connected with proceeds of crime including its acquisition, possession, projecting and claiming the same as untainted. Therefore, M/s Shaw & Brothers run through its partners Miftah Majid Shaw and Mubashir Ahmed Shaw committed offence of money laundering under Section 3 read with Section 70 of PMLA 2002.

A-2 Miftah Majid Shaw, partner of M/s Shaw & Brothers, is knowingly involved in the process and activity connected with proceeds of crime including its acquisition, possession, projecting and claiming the same as untainted. Therefore, Miftah Majid Shaw committed offence of money laundering under Section 3 read with Section 70 of PMLA 2002.

A-3 Mubashir Ahmed Shaw, partner of M/s Shaw & Brothers, is knowingly involved in the process and activity connected with proceeds of crime including its acquisition, possession, projecting and claiming the same as untainted. Therefore, Mubashir Ahmed Shaw committed offence of money laundering under Section 3 read with Section 70 of PMLA 2002.

10. I have heard Ld. SPP for ED and also gone through the written submissions filed on behalf of ED.

11. The scope and ambit of Section 3 of Prevention of Money Laundering Act 2002 is wide enough and any person who deals with proceeds of crime in any manner is responsible for committing the offence.

12. The relevant provisions of Prevention of Money Laundering Act 2002 are as follows :-

Section 3 in The Prevention of Money-Laundering Act, 2002

3. Offence of money-laundering.

Whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the [proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming] it as untainted property shall be guilty of offence of money-laundering.

[Explanation.--For the removal of doubts, it is hereby clarified that,-

(i) a person shall be guilty of offence of money-laundering if such person is found to have directly or indirectly attempted to indulge or knowingly assisted or knowingly is a party or is actually involved in one or more of the following processes or activities connected with proceeds of crime, namely:--

- (a) concealment; or*
- (b) possession; or*
- (c) acquisition; or*
- (d) use; or*

(e) projecting as untainted property; or
 (f) claiming as untainted property,
 in any manner whatsoever;
 (ii) the process or activity connected with proceeds of crime is a continuing activity and continues till such time a person is directly or indirectly enjoying the proceeds of crime by its concealment or possession or acquisition or use or projecting it as untainted property or claiming it as untainted property in any manner whatsoever.]

Section 2 (u) in The Prevention of Money-Laundering Act, 2002.

“proceeds of crime” means any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence or the value of any such property [or where such property is taken or held outside the country, then the property equivalent in value held within the country [or abroad];

[Explanation: For the removal of doubts, it is hereby clarified that “proceeds of crime” include property not only derived or obtained from the scheduled offence but also any property which may directly or indirectly be derived or obtained as a result of any criminal activity relatable to the scheduled offence;]

Section 2 (s) in The Prevention of Money-Laundering Act, 2002.

(s) “person” includes

- (i) an individual,
- (ii) Hindu undivided family,
- (iii) a company,
- (iv) a firm,

- (v) an association of persons or a body of individuals, whether incorporated or not,*
- (vi) every artificial juridical person not falling within any of the preceding sub-clauses, and*
- (vii) any agency, office or branch owned or controlled by any of the above persons mentioned in the preceding sub-clauses;*

13. I have examined the complaint filed by Enforcement Directorate against the accused persons. I have also given due consideration to the documents and statements of witnesses.

14. In my opinion, there is sufficient material to proceed against the accused persons and accordingly cognizance is taken for the offence of money laundering under Section 3 punishable u/s 4 of PMLA 2002.

15. Let the accused persons M/s Shaw and Brothers (A-1) run through its partners and Miftah Majid Shaw (A-2) and Mubashir Ahmed Shaw (A-3) be summoned for the next date i.e. 25.04.2025.

16. IO is directed to prepare copies for the accused persons and to remain present on the next date.

(Anju Bajaj Chandna)
Principal District & Sessions Judge-
cum-Special Judge (PC Act) (CBI),
Rouse Avenue District Court
New Delhi/03.04.2025