



Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 06.04.2026

PRONOUNCED ON :16.06.2026

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CORAM

THE HONOURABLE MR.JUSTICE S.SOUNTHAR

Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

and

W.M.P.Nos.6230, 6231, 6237, 6239, 6248, 6249, 6596, 6598, 6600, 6605, 6691, 6692, 6693, 6695, 6700, 6701, 6703, 6705, 6992, 6993, 6994, 6995, 6997, 6999, 7000, 7002, 7003, 7004, 7007, 7008, 7013 and 7014 of 2025

Sachin Bansal

... Petitioner in Rev.Aplw.Nos.64 & 65/2025

Lee Jared Fixel

65 East 55th Street, 36th Floor,
New York, NY – 10022, USA,
Rep by his Power of Attorney
Holder, Mr. Milan Chitalia
Having his office at 501
Blue Empress CHS Ltd,
Borsa Pada Road,
Kandivali West,
Mumbai – 400067.

... Petitioner in Rev.Aplw.No.66/2025

Binny Bansal

... Petitioner in Rev.Aplw.Nos.69 & 70/2025

Subrata Mitra

... Petitioner in Rev.Aplw.Nos.71 & 72/2025

Accel India Venture II (Mauritius) Ltd.
Company Incorporated under the

1/18



Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

Laws of Mauritius

Having its registered office at
Fifth Floor, Ebene Esplanade,
24 Bank Street, Cybercity, Ebene
Mauritius, Represented by its
Authorised Signatory

... Petitioner in Rev.Aplw.Nos.79 & 80/2025

WS Retail Services Private Limited

68-76, No.972, 1st Floor, Ward No.68, ST Bed
Koramangala, Bengaluru – 560034

Represented by its Director & Authorized Signatory

Mr.Tapas Rudrapatna

... Petitioner in Rev.Aplw.Nos.81 & 82/2025

vs.

1.The Directorate of Enforcement,
Government of India, Ministry of Finance,
Department of Revenue, New Delhi.
Represented by
Principal Special Director

2.The Special Director,
Adjudicating Authority,
Directorate of Enforcement, Government of India,
Ministry of Finance, Department of Revenue,
Southern Regional Office, Shastri Bhavan, III Floor,
III Block, 26, Haddows Road, Chennai – 600 006.

3.The Deputy Director of Enforcement,
Directorate of Enforcement, Government of India,
Ministry of Finance, Department of Revenue,
3rd Floor, “B” Block, BMTC, Shanthinagar TTMC,
K.H.Road, Shanthinagar, Bengaluru – 560 027.

... Respondents (in all cases)



Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

PRAYER: Review Applications are filed under Order XLVII Rule 1 read with Section 114 of Code of Civil Procedure, 1908, to review the order dated 29.01.2025 passed in Writ Petitions bearing W.P.Nos.18630, 18682, 20721, 24511, 24517, 23235, 23236, 23231, 23237, 23013 and 23019 of 2021.

For Petitioners
in Rev.Aplw.Nos.64 and 65/2025 : Mr.Arvind Datar
Senior Advocate
for M/s.Edward Jamesh

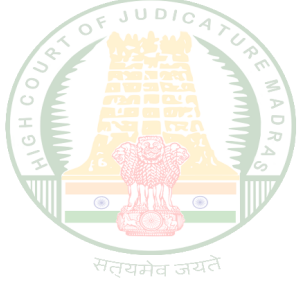
For Petitioners
in Rev.Aplw.No.66/2025 : Mr.Harish Narasappa
Senior Advocate
for M/s.P.Giridharan

For Petitioners
in Rev.Aplw.Nos.69 and 70/2025 : Mr.P.S.Raman,
Senior Advocate
for M/s.P.J.Rishikesh

For Petitioners
in Rev.Aplw.Nos.71,72,79 and 80/2025 : Mr.Manu Prabhakar Kulkarni

For Petitioners
in Rev.Aplw.Nos.81 and 82/2025 : Mr.Sathish Parasaran
Senior Advocate
for M/s.N.C.Ashok Kumar

For Respondents : Mr.N.Ramesh
Special Public Prosecutor
(ED Cases) (in all cases)



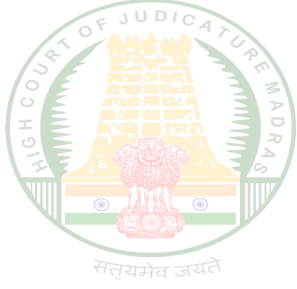
COMMON ORDER

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These Review Applications have been filed challenging the order passed by this Court in a batch of writ petitions in W.P.No.18630 of 2021 and other cases dated 29.01.2025.

2. The main writ petitions were filed challenging the complaint made by 3rd respondent in writ petition against the petitioners complaining violation of Foreign Exchange Management Act (hereinafter called as FEMA) and Transfer or Issue of Security by a Person Resident Outside India Regulations, 2000 (hereinafter called as TISPRO Regulations) and the show cause notice issued by the 2nd respondent in the writ petition dated 01.07.2021 against the petitioners based on the complaint of the 3rd respondent. After hearing the petitioners, all the writ petitions were dismissed by this Court by upholding the preliminary objection raised by the respondents regarding maintainability of the writ petitions by pointing out hierarchy of remedies under the Act including the appeal before the Appellate Tribunal and the further appeal to this Court under Section 35 of FEMA. Not satisfied with the order passed in the writ petitions, the petitioners have come by way of these Review Applications.

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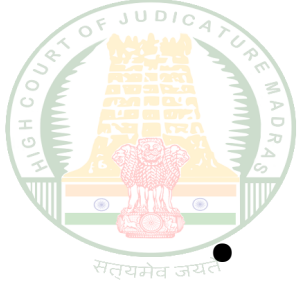


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3. Heard the arguments of Mr.Arvind Datar, learned Senior Advocate representing Mr.Edward Jamesh, learned counsel on record for review applicant in Rev.Aplw.Nos.64 and 65 of 2025, Mr.Harish Narasappa, learned Senior Advocate representing M/s.P.Giridharan, learned counsel on record for review applicant in Rev.Aplw.Nos.66 of 2025, Mr.P.S.Raman, learned Senior Advocate representing M/s.P.J.Rishikesh, learned counsel on record for review applicant in Rev.Aplw.Nos.69 and 70 of 2025, Mr.Manu Prabhakar Kulkarni, in Rev.Aplw.Nos.71,72,79 and 80 of 2025, Mr.Sathish Parasaran, learned Senior Advocate representing M/s.N.C.Ashok Kumar, learned counsel on record for review applicant in Rev.Aplw.Nos.81 and 82 of 2025 and Mr.N.Ramesh, learned Special Public Prosecutor appearing for the respondents in all cases.

4. Summary of points raised by the Review Petitioners:

- The long delay on the part of the respondent in issuing show cause notice has not been considered by this Court, especially the ratio laid down in *Commissioner of Income Tax and others Vs. Roca Bathroom Products Pvt. Ltd and others* reported in *2022 SCC OnLine Mad 8777*.

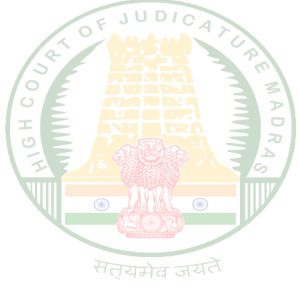


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● The investments by the petitioners came to India in the year 2009 and alleged violation by the petitioners had taken place well prior to notification issued by Reserve Bank of India on 19.10.2012, which came into force on 30.10.2012 under which 25% wholesale restriction was notified. It is submitted that alleged violation by the petitioners had taken place before coming into force of notification and hence the same cannot be the basis of issuing show cause notice. It is further submitted that Section 13 of FEMA would come into operation only in case of violation of provisions of FEMA, Rules, Regulations, Notifications, directions or orders issued in exercise of power under FEMA and the consolidated FDI policy being a mere circular cannot be treated as Rule or Regulation etc., issued under FEMA.

● The applicants exited from the company even before issuance of notification by Reserve Bank of India.

● The expression “Group Company” was defined only on 04.10.2013 well after the alleged violation.

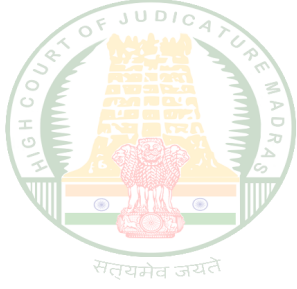


5. Submissions by counsel for Respondents:

The learned counsel appearing for the respondents would submit that the scope of review applications is very limited and the petitioners are not entitled to re-argue the writ petitions in the review applications. It is also submitted that the writ petitions were disposed of on preliminary issue of availability of alternative remedy and hence the petitioners are not entitled to argue the merits of the case that too in review applications.

6. Discussions:

It was vehemently contended by the petitioners that there was delay of more than a decade in issuing the show cause notice from the date of alleged violation and failure of the respondent to issue notice within reasonable period violates the fundamental rights of the petitioners. The delay in issuing notice had been considered by this Court in the writ order specifically in paragraph Nos.31 to 36 of the writ order. It was held that the reasonableness of the delay in issuing the notice depends on various facts and circumstances and the said factual aspects could be raised by the petitioners before the respondents in their answer to the show cause notice and the same could be considered by the respondents.



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7. It was specifically submitted that decision of the Division Bench of this Court in ***Roca Bathroom*** case cited by the petitioners at the time of writ arguments has not been considered by this Court, while considering the arguments on the question of delay. The decision in ***Roca Bathroom*** case was relating to reopening of assessment after several years by the Income Tax Officer under Section 147/148 of Income Tax Act.

8. In the said decision, it was held that when no period of limitation was prescribed, the order shall be passed within reasonable time which in any case cannot be beyond the period of three years. Relying on this observation, it was submitted that notices issued by the respondent beyond the period of three years is barred in law. A close scrutiny of the judgment in ***Roca Bathroom*** case would indicate that it was concluded by the Division Bench by relying on time limit prescribed under Section 153 of Income Tax Act. It was held that entire proceeding would have to be concluded within the time limit prescribed. After holding so, it was said that in cases where no time limit is prescribed, orders have to be passed within reasonable time. The said observation made by the Division Bench of this Court is restricted to the proceedings under Income Tax Act and the same

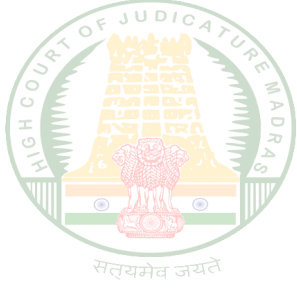


Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

cannot be extended to penal provisions. It is to be noted that violation of Section 13 of FEMA has got penal consequences and in case of penal law unless initiation of proceeding is restricted by prescription of specific time limit by the statute, initiation of proceedings cannot be held to be barred by relying on the general direction issued in relation to the proceedings initiated under the Income Tax Act. Therefore, the submission made by the learned counsel appearing for the review applicants that ***Roca Bathroom*** case has not been considered is not very much appealable to this Court.

9. It was submitted that in the complaint made by the 3rd respondent, statement of some of the applicants were recorded as early as 05.10.2015 and 08.10.2015 as seen from Serial Nos.77 and 84 of Annexure 'A' to the complaint. However, the impugned show cause notice was issued only on 01.07.2021 with more than five years delay. It was also argued that the Apex Court in ***State of Punjab and others vs. Bhatinda District Cooperative Milk Producers Union Ltd.***, reported in (2007) 11 SCC 363 held that notices issued with a delay of more than five years were barred in law. Therefore, according to the applicants, in the case on hand, the impugned notice issued beyond the period of five years is liable to be quashed.

9/18

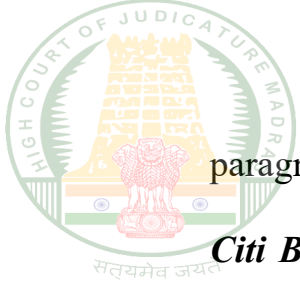


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10. In the writ order, this Court considered **Bhatinda** case cited *supra* and came to the conclusion that maximum period of five years was fixed by the Apex Court by taking into consideration, the scheme of the said Act. Therefore, the same cannot be made applicable as the general rule to all the cases. Hence, the submission made by the petitioners was already addressed in the writ order and the same cannot be raised again in review applications. It is to be pointed out that the statements of some of the applicants were recorded on 05.10.2015 and 08.10.2015. Therefore, the five years period expired during October 2020. However, before expiry of the period, the Covid outbreak came into existence and there was a lockdown and suspension of limitation period from 15.10.2020 to 28.02.2022. The impugned show cause notices have been issued well within that suspension period on 01.07.2021. Therefore, the submission made by the learned counsel for the applicants on the ground of delay by relying on **Bhatinda** case cited *supra* is also not appealable to this Court.

11. The learned counsel appearing for the petitioners also pressed into service, the decision of the Apex Court in **Union of India and others Vs. Citi Bank** reported in **2022 SCC OnLine SC 1073**. This Court in

10/18



Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

paragraph No.32 of the order passed in the writ petition observed that in

Citi Bank case, the petitioners therein submitted a reply to the show cause

notice and not being satisfied with the same, the adjudicatory authority

proceeded with the adjudicatory process and hence the writ petitions were

filed. However, in the case on hand, the petitioners have not submitted their

explanation to the show cause notice before the adjudicatory authority and

rushed to this Court immediately on receipt of the show cause notice.

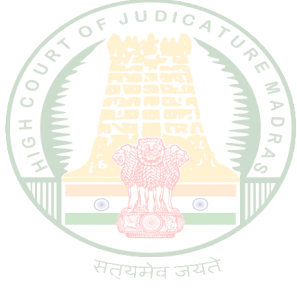
Pointing out this vital difference, this Court came to the conclusion that the

ratio laid down in **Citi Bank** Case could not be made applicable to the facts

of the present case.

12. It is pertinent to mention in **Citi Bank** case cited supra, the Hon'ble Apex Court relied on its earlier decision in **Government of India Vs. Citedal Fine Pharmaceuticals Madras and others** reported in (1989) 3 **SCC 483**, wherein the Apex Court observed as follows:

In the absence of any period of limitation it is settled that every authority is to exercise the power within a reasonable period. What would be reasonable period, would depend upon the facts of each case. Whenever a question regarding the inordinate delay in issuance of notice of demand is raised, it would be open to the assessee to contend that it is bad on the ground of delay and it will be for the relevant officer to consider the question whether



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Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

in the facts and circumstances of the case notice of demand for recovery was made within reasonable period. No hard and fast rules can be laid down in this regard as the determination of the question will depend upon the facts of each case. [emphasis supplied by this Court]

Therefore, it is clear, even as per the decision of the Apex Court in ***Citedal Fine Pharmaceuticals*** case cited supra, which was relied on in ***Citi Bank*** case, whenever there is a question regarding the inordinate delay in issuance of notice, it would be open to the noticee to contend that the same was bad on the ground of delay and it is for the concerned officer to consider the question whether in the facts and circumstances of the case, notice issued by him was made within reasonable period. In the writ order, after considering ***Citi Bank*** case and ***Bhatinda*** case in paragraph Nos.32 to 34, in paragraph No.35, this Court observed that the reasonableness of the delay in issuing show cause notice depended on facts and circumstances of the case and the said aspect could be raised by the petitioners before the second respondent. The said observation made by this Court in the writ order is in consonance with the ratio laid down in ***Citedal Fine Pharmaceuticals*** case cited supra. At the risk of repetition, this Court points out that what is the reasonable period is depending on various facts and circumstances and the said factual aspects could be raised before the



adjudicating authority. Any decision of the adjudicatory authority on the reasonableness of delay is liable to be questioned by the aggrieved party before the Appellate Tribunal as well as before this Court in a further appeal under Section 35 of FEMA Act. In view of the same, this Court is unable to review its decision passed in these writ petitions on the question of delay aspect.

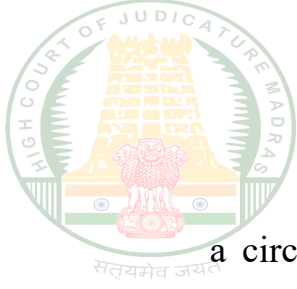
13. It was vehemently contended by the learned counsel for the review applicants that the alleged violation by the writ petitioners had taken place prior to the issuance of notification by Reserve Bank of India, which came into force on 30.12.2021 under which 25% wholesale restriction was introduced. It was also submitted that prior to the said notification, there was FDI policy issued by the Government and the same cannot have the statutory force, therefore, the violation of the same could not be termed as violation of Section 13 of FEMA.

14. What is challenged in these writ petitions are only the show cause notice issued by the adjudicating authority on the basis of the complaint given by the 3rd respondent and the complaint. If it is the case of



Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

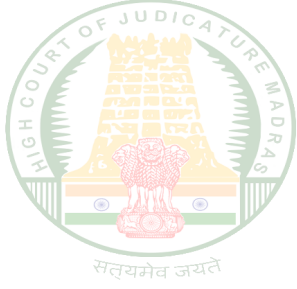
the petitioners that the relevant notification was not in place at the relevant point of time and the violation alleged in the complaint actually had taken place prior to the issue of Notifications under FEMA, it is always open to the petitioners to show cause before the adjudicating authority, who, in exercise of adjudicatory power, can decide the said question. The arguments made by the review applicants in this regard are on the merits of the matter which can very well be raised before the adjudicating authority in response to the show cause notice. The writ petitions filed by the review applicants were disposed of by this Court on preliminary issue by pointing out availability of alternative remedy before the hierarchy of authorities constituted under FEMA Act, like adjudicating authority, the Appellate Tribunal and also appeal to High Court under Section 35 of FEMA Act. Therefore, any arguments on the merit shall be made only before the adjudicating authority and the same cannot be adjudicated upon by this Court, in view of the availability of alternative remedy. This Court in the writ order categorically observed that remedy of appeal before this Court on question of law under Section 35 of FEMA Act cannot be termed as an ineffective remedy to enable the petitioners to approach this Court by invoking Article 226 of Constitution of India.



15. It was also submitted that FDI Policy of the Government is only

a circular and the same cannot be termed as Rule/Regulation etc., issued under FEMA. Again it is a submission on merits of the matter and the same can be made before the adjudicating authority whose decision is liable to be questioned before the Appellate Tribunal and this Court under special appeals. Therefore, this Court is not inclined to adjudicate the same as the petitioners are entitled to raise the points before the adjudicatory authority.

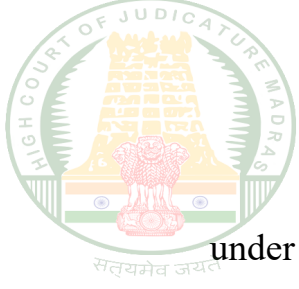
16. It was submitted by some of the applicants that they exited from the company even before issuance of notification by Reserve Bank of India and therefore, technically there was no violation of the notification under FEMA by the said applicants. Whether the applicants were or were not Directors of the company at the relevant point of time and whether there was any violation are all the questions of fact which can be decided by the adjudicatory authority. The petitioners are at liberty to raise all these points in their response to the show cause notice before the adjudicatory authority and the authority can take a call on the merits of the claim made by the applicants.



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17. It was also submitted by the applicants that the expression “Group Company” was not defined under the FDI policy and the same was defined only on 04.10.2013 by notification.

18. If it is the case of the petitioners that there was no proper definition of the expression “Group Company” at the relevant point of time, during which, the review applicants allegedly transferred more than 25% of the goods to “Group Companies” and the absence of said definition caused prejudice the petitioners, the same can be very well be established by the petitioners before the adjudicating authority in the adjudicatory process. Whether, there was no proper definition of the expression “Group Companies” at the relevant point of time and whether absence of proper definition caused prejudice to the petitioners etc., are all on the merits of the matter and the same shall be decided by the adjudicating authority constituted under the Act whose decision, as mentioned earlier, is subject to the appeal to the Appellate Tribunal and further appeal to the High Court under Section 35 of FEMA Act.



Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

19. In view of the effective alternative remedy to the petitioners

under FEMA Act by way of appeal to Appellate Tribunal under Section 19 of

FEMA Act and further appeal to this Court on question of law under Section

35 of FEMA Act, this Court refrained from adjudicating on the merits of the

submission and disposed of the writ petitions on the preliminary issue.

20. I do not find any error apparent on the face of the record in the

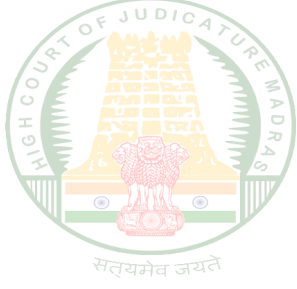
order passed in the writ petitions to enable this Court to review the same.

21. Accordingly, all these review applications are dismissed. No

costs. Consequently connected miscellaneous petitions are closed.

16.06.2026

Index :Yes / No
Speaking order :Yes / No
Neutral Citation :Yes / No
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Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72, 79, 80, 81 and 82 of 2025

S.SOUNTHAR, J.

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To

1.The Directorate of Enforcement,
Government of India, Ministry of Finance,
Department of Revenue, New Delhi.

2.The Special Director,
Adjudicating Authority,
Directorate of Enforcement, Government of India,
Ministry of Finance, Department of Revenue,
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Pre-delivery common order made in
Rev.Aplw.Nos.64, 65, 66, 69, 70, 71, 72,
79, 80, 81 and 82 of 2025

16.06.2026