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W.P.No.23688 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 09.09.2024

CORAM :

THE HONOURABLE MR. JUSTICE S.M.SUBRAMANIAM
AND
THE HONOURABLE MR. JUSTICE V.SIVAGNANAM

W.P.No.23688 of 2024

Hameed Ibrahim

... Petitioner

Vs.

The Deputy Director,
The Enforcement Directorate,
No.84, 2nd and 3rd Floor, C-block,
Murugesu Naicker Complex,
Greens Road, Thousand Lights,
Chennai - 600 006.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of Writ of Certiorarified Mandamus, calling for the records of the respondent in issuance of the impugned order in F.No.ECIR/CEZO-I/57/2021 dated 12.07.2024 and quash the same and direct the respondent revoke the lookout circular issued against the petitioner and consequentially permit the petitioner to travel abroad.

For Petitioner : Mr.S.Praveennath

For Respondent : Mr.N.Ramesh
Special Public Prosecutor for
Enforcement Directorate



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ORDER

(Order of the Court was made by *S.M.SUBRAMANIAM, J.*)

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The writ on hand has been instituted to assail the order dated 12.07.2024 issued by the Deputy Director of Enforcement Directorate rejecting the application submitted by the petitioner to issue 'Clearance Certificate' and to permit him to undertake international travel.

2. The petitioner states that he is the Director of Marilog Avion Services Limited operating in Bangkok, Thailand for supply of Aircraft Spares and Repair Services. He has two other business operations in the name of Marilog Port Tech Services established in 2012 as a Port Development & Logistics Company at Dubai and another in Chennai as Marilog Port Tech Services (Chennai) Pvt.Ltd in Chennai from the year 2019. The companies are collectively referred to as "Marilog Group".

3. The allegation against the petitioner is that in violation of the sanction imposed by United States of America on Iraq, he made an attempt to supply Helicopters to Iraq. The US Government based on reciprocity agreement issued a letter to the Government of India on 19.05.2020 for



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initiation of action against the petitioner and against Companies, who have involved in such transactions with Iraq and in response to the said letter issued by U.S. Government, the Government of India initiated action by registering cases under the Prevention of Money Laundering Act, 2002 (hereinafter referred to as 'PMLA' Act).

4. It is not in dispute that lookout circular was issued against the petitioner. We are not called upon to decide the validity of the lookout circular issued. The grievances of the writ petitioner is that he made an application to issue 'clearance certificate' and to grant permission to undertake international travel in connection with his businesses. The said application was elaborately considered by the Directorate of Enforcement and the impugned order has been passed rejecting the application. Thus, the present writ petition came to be instituted.

5. Mr.S.Praveennath, the learned Counsel appearing on behalf of the petitioner would submit that the petitioner is unconnected with the allegations and he has to look after his business in other countries. Therefore, the application made ought to have been considered by the Competent Authorities.

The petitioner has assigned reason to undertake international travel mainly to



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look after his business and thus the rejection order is to be set aside.

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6. Mr.N.Ramesh, the learned Special Public Prosecutor for the respondent would strenuously oppose by stating that the reason furnished in the order impugned is that in the event of revocation of LOC, it might be possible the petitioner may not return to India and thereby evade the trial for money laundering.

7. It is not in dispute that the Enforcement Directorate has already recorded ECIR. The Enforcement Directorate is investigating the matter in response to the letter issued by the U.S. Government and in the event of revoking LOC, it would result in departure and detrimental to the bilateral relationship or to the strategic relationship with the foreign country. The Government of India has to honour the bilateral treaties/agreements with U.S. Government and in the present case, the Enforcement Directorate formed an opinion that in the event of revoking LOC, it would result in departure and detrimental to the bilateral relationship or to the strategic relationship with foreign country.



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8. When such a reason has been assigned in the order impugned, we are not inclined to consider the application submitted by the petitioner seeking permission to travel abroad. The investigation commenced shall go on by following the due process.

9. With the above observations, the writ petition stands **dismissed**.
No costs.

[S.M.S., J.] [V.S.G., J.]

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Index: Yes/No
Speaking/Non-speaking order
veda

To

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