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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **MISC. APPEAL(PMLA) 27/2025 & CM APPL. 31751/2025**

M/S WSFX GLOBAL PAY LIMITED

.....Appellant

Through: Mr. Avi Singh, Sr. Advocate with
Mr. Ashutosh Jain, Advocate

versus

JOINT DIRECTOR, ENFORCEMENT DIRECTORATE & ORS

.....Respondents

Through: Mr. Arkaj Kumar, SC, Ms. Vaishnavi
Bhargava, Mr. Ishank Jha, Mr.
Aakarsh Mishra, Advs.

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

HON'BLE MR. JUSTICE HARISH VAIDYANATHAN

SHANKAR

ORDER

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22.05.2025

CM APPL. 31750/2025 (Exemption)

Allowed, subject to all just exceptions.

MISC. APPEAL(PMLA) 27/2025 & CM APPL. 31751/2025

1. The present appeal has been filed by the Appellant for setting aside the impugned Orders dated 08.04.2025 & 18.12.2024 passed by the learned Appellate Tribunal.
2. The facts of the case reveal that based on a Complaint dated 29.03.2019, the Joint Director, Directorate of Enforcement, issued a Show Cause Notice bearing No. T-4/CEZO/1/2019 on the very same day to the Appellant along with other persons alleging violations of the FEMA



provisions.

3. The Adjudicating Authority found that the Appellant is guilty of contravention of various provisions of FEMA to the tune of Singapore Dollar (SGD) 11,03,635/- and penalties were levied on the Appellant and other persons who were accused in the matter.

4. Challenging the said order, an appeal has been filed before the Appellate Tribunal. The Enforcement Directorate has also filed a cross-appeal seeking enhancement of quantum of penalty on the Appellant.

5. In view of lack of quorum, the appeal was pending adjudication before the Appellate Tribunal and one of the accused persons, namely, Nakul Grover, filed a writ petition before this Court being W.P.(C) 6386/2021. This Court *vide* Order dated 16.07.2021 disposed of the said writ petition. The relevant portion of the said Order reads as under:-

“4. Upon perusal of the impugned order, it is evident that the same has been passed without dealing with any of the submissions raised by the petitioner and therefore, is not sustainable and is, accordingly, quashed qua the petitioner. The matter is remanded back to the Adjudicating Authority for passing afresh order in accordance with law.

5. Needless to state, it will be incumbent upon the Adjudicating Authority to pass a reasoned and speaking order specifically dealing with the issues raised by the petitioner and taking into consideration all available material and grounds raised by both sides.

6. In light of this order being passed, learned counsel for the petitioner assures the Court that the FEMA Appeal No.54/2021 preferred by the petitioner will be withdrawn forthwith.”



6. When the appeal came up for hearing before the Appellate Tribunal on 18.12.2024, it was submitted that the entire Order of the Adjudicating Authority has been quashed, which was not accepted by the Tribunal. No other arguments were raised before the Tribunal on the merits of the case by the Appellant herein. The relevant portion of the Order dated 18.12.2024 reads as under:-

“The counsel for the Appellant did not raise any argument even after showing the order of the High Court, thus we are left with no option but to dismiss the appeal. ”

7. A review against the Order dated 18.12.2024 was disposed of by the Appellate Tribunal vide Order dated 08.04.2025. The only option before the review court was to consider the arguments which were advanced before the Tribunal on 18.12.2024. The relevant portion of the Order dated 08.04.2025 reads as under:-

“The only arguments raised by the Review Appellant has no force in the light of the fact that despite clarifying the order passed by the High Court that it is not qua the Appellant but is for petitioner Nakul Grover. The Counsel still submitted that the impugned order has been quashed thus no more exist. The Appellant is not required to press the Appeal for that reason. The Tribunal again explained the order of the High Court but the Counsel for the Appellant did not raise any argument to challenge the order. In the light of the aforesaid, the prayer for recall of the order cannot be accepted because scope of review is very limited. It can be exercised only when there is an error apparent on face of record which we do not find in the impugned order thus Review Application is dismissed.”



8. At the outset, Mr. Avi Singh, learned Senior Counsel for the Appellant, very candidly admits that probably the client was misadvised to understand that the entire order stands set aside by the Order dated 16.07.2021 in W.P.(C) No. 6386/2021 which resulted in the impugned Order dated 18.12.2024. He states that since the case was not argued on merits in the first round, obviously in the review petition, the Court could not have gone behind what was not argued in the main petition, and therefore, there was no other option but to approach this Court in appellate jurisdiction and candidly own up the mistake. The statement is taken on record.

9. Considering the fair and candid submission given by the learned Senior Counsel for the Appellant, this Court is inclined to set aside the impugned Orders dated 08.04.2025 & 18.12.2024 passed by the learned Appellate Tribunal and remand the matter back.

10. Since valuable judicial time has been wasted in the entire exercise, this Court is inclined to impose costs of Rs.50,000/- to be paid by the Appellant to the *Armed Forces Battle Casualties Welfare Fund* within two weeks from today.

11. The appeal is disposed of along with pending application(s), if any.

SUBRAMONIUM PRASAD, J

HARISH VAIDYANATHAN SHANKAR, J

MAY 22, 2025

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