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W.P.Crl.No.1126 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 19.06.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

WP Crl. No.1126 of 2026
and WPMP Crl. No.373 of 2026

Mohammed Mohideen Istthikar
S/o.Late Mohammed Mohideen,
No.23, 6th Street, A.K.Samy Nagar,
Secretariat, Kellys, Chennai-600 010.

Petitioner(s)

Vs

1. The Special Director (Adjudication)
Adjudicating Authority,
Directorate of Enforcement,
Department of Revenue,
Government of India, 6th Floor,
Lok Nayak Bhavan, Khan Market,
New Delhi-110003.
2. The Directorate of Enforcement,
Rep. by the Assistant Director,
Government of India, 5th and 6th floor,
BSNL Administrative Building, No.2,
Kush Kumar Road, Nungambakkam,
Chennai-600 034.

Respondent(s)



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PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of certiorari to call for the records of the impugned Show Cause Notice dated 09.03.2026 in File No.T-4/22-HQ/SDE/2026 on the file of the first respondent and quash the same as illegal, arbitrary, inoperative in law and pass any appropriate order or orders as it may deem fit and proper in the circumstances of the case.

For Petitioner(s): Mr.K.Praveen Raj

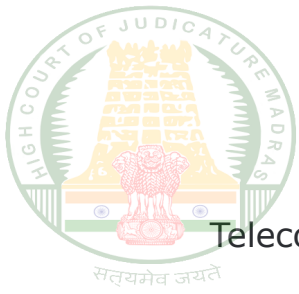
For Respondent(s): Mr.N.Ramesh,
Spl. Public Prosecutor

ORDER

(Order of the Court was made by the Hon'ble Chief Justice)

The petitioner has invoked the extraordinary inherent jurisdiction of this Court under Article 226 of the Constitution of India seeking a writ of certiorari to call for the records and quash the Show Cause Notice dated 09.03.2026 issued by the first respondent.

2. The narrative of the case emerges from an investigation conducted by the Enforcement Directorate into the affairs of Unique



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Telecom. It is alleged that between 2013 and 2018, substantial sums were remitted to offshore entities in Hong Kong, specifically China Top Technology Limited, under the facade of advance payments for imports that were never realized. The petitioner, being a Director of the said Hong Kong entity, is embroiled in these proceedings as a person resident in India suspected of holding foreign exchange and assets abroad in violation of the statutory mandate.

3. The petitioner's properties were initially subjected to restraint orders in 2021. This Court, vide order dated 23.4.2025 passed in W.P. No. 3604 of 2025, directed the release of the said properties on 23.04.2025, primarily on the ground of procedural inertia by the respondents. However, subsequent to the investigation's progression, a fresh Seizure Order was issued on 21.11.2025 under Section 37A(1) of Foreign Exchange Management Act, 1999 [FEMA]. Crucially, this seizure was formally confirmed by the Competent Authority vide Order No.02/2026 dated 10.04.2026. The petitioner now challenges the concomitant show cause notice, contending it to be a premature.



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4. Learned Special Public Prosecutor appearing on behalf of the respondents submitted that a writ petition is not maintainable against a show cause notice and, therefore, prayed for dismissal of the writ petition. He placed reliance on a decision of the Supreme Court in *Raj Kumar Shivhare vs. Assistant Director, Directorate of Enforcement*¹.

5. At the threshold, this Court must address the maintainability of a writ petition challenging a show cause notice in a fiscal statute. The proposition in this regard is enunciated by the authoritative pronouncement of the Supreme Court in *Raj Kumar Shivhare (supra)*. In the said decision, the Supreme Court underscored that FEMA is a "complete code," meticulously designed with an internal hierarchy of remedies. The Supreme Court categorically held that when a statute provides a specific forum for the redressal of grievances, the High Court should refrain from entertaining writ petitions that bypass this statutory machinery.

¹ (2010) 4 SCC 772



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6. The petitioner's challenge to the show cause notice involves intricate factual determinations regarding the "nexus" of remittances and the "nature" of offshore holdings. These are matters that squarely fall within the province of the Adjudicating Authority. By approaching this Court at the stage of a mere notice, the petitioner seeks to truncate a statutory inquiry, an endeavor this Court is loath to support.

7. Fiscal statutes like FEMA are enacted to safeguard the nation's economic interests. Judicial interference at the preliminary stage of a show cause notice, especially where a Competent Authority has already confirmed the seizure of assets, would paralyze the statutory enforcement mechanism. In the light of the law enunciated by the Supreme Court in *Raj Kumar Shivhare (supra)*, this Court finds that the petitioner has an effective statutory remedy available and has failed to show any patent lack of jurisdiction or manifest injustice that would warrant the bypassing of the said remedy.



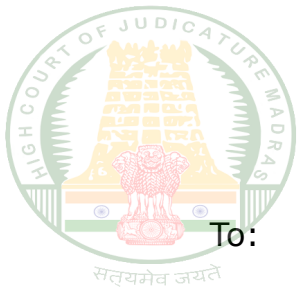
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8. In view of the above, the writ petition is dismissed. The petitioner is granted two weeks from the date of receipt of a copy of this order to file his detailed reply to the impugned show cause notice dated 09.03.2026. The first respondent shall thereafter proceed with the adjudication in accordance with the law and pass appropriate orders on own merits, uninfluenced by any observations made in this judgment.

There shall be no order as to costs. Consequently, connected interim application stands closed.

(SUSHRUT ARVIND DHARMADHIKARI,CJ) (G.ARUL MURUGAN,J)
19.06.2026

Index : Yes/No
Neutral Citation : Yes/No
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THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

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