



CMA No. 3866 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 08-01-2026

CORAM

THE HON'BLE MR JUSTICE R. SURESH KUMAR

AND

THE HON'BLE MR.JUSTICE SHAMIM AHMED

**CMA No. 3866 of 2025
AND CMP NO. 32453 OF 2025**

Mallikarjunan Nair alias Arjun Nair, Director,
Hindustan Hair Products Pvt Ltd, No.144, Lamech
Street, Janaki Nagar, Valasaravakkam,
Chennai - 600 087.

..Appellant

Vs

1. Union of India, Rep. by Additional Director,
Directorate of Enforcement, southern Regional
Office, III Floor, Murugesan Complex, No.84,
Greens Road, Chennai – 600006.
2. Mallikarjuna Nair @ Arjun Nair, Proprietor of Palika
Global Co., 128-129, A.R. Street, Janaki Nagar,
Valasaravakkam, Chennai - 600 087.
3. Hindustan Hair Products Pvt Ltd 144, Lamech
Street, Janaki Nagar, Valasaravakkam, Chennai -
600 087.

..Respondents

Prayer : Civil Miscellaneous Appeal under Section 35 of the FEMA to set aside the common order passed in MP-FE-158/CHN/2024(Pre-Deposit) in FPA -FE-95/CHN/2019 on the file of Appellate Tribunal under SAFEMA at New Delhi/the 1st respondent herein.

For Appellant :

Mr.K.Jothi Rajan for
Mr.S.Arivazhagan



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Judgment
(Judgment of the Court was delivered by R.Suresh Kumar J.)

This Civil Miscellaneous Appeal has been directed against the order passed by the appellate Tribunal under SAFEMA at New Delhi in MP-FE-158/CHN/2024(Pre-Deposit) in FPA -FE-95/CHN/2019 dated 23.09.2025.

2. In fact the appellant preferred an appeal before the FEMA Tribunal, where, as pre-condition, 10% of the penalty amount was directed to be deposited by the order of the FEMA Tribunal dated 09.01.2025, which amount comes to Rs.98,50,000/- within four weeks.

3. Within the said four weeks' time, the said amount was not paid. However, subsequently an explanation was sought for, which was also granted by the Tribunal by order dated 25.03.2025. This time the extension of time was given for six weeks. Even within the extended time, the said amount has not been paid. Therefore, the Tribunal by order dated 23.09.2025 dismissed the appeal, as the statutory requirement under Section 19 of the FEMA has not been complied with. As against the said order now the present appeal has been preferred.

4. Heard the learned counsel for the appellant, who would submit that due to various difficulties as there has been financial crisis to the appellant, the appellant



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was not able to mobilise the said amount of 10% of the penalty amount even within the extended time and therefore the same could not be deposited. He submits that, the difficulties expressed by the appellant since has not been considered by the Tribunal, the order requires interference.

5. We are not impressed with the said submission made by the learned counsel for the appellant for the simple reason that, it is the statutory requirement under which as pre-deposit only 10% of the penalty amount since has been ordered to be paid within four weeks' time and thereafter the time was extended for a further six weeks, within which the amount has not been paid. Since the conditional order has not been complied with as mandated, there was every justification on the part of the Tribunal to dismiss the appeal and they have rightly dismissed the appeal.

6. We do not find any reason to interfere with the said order passed by the Tribunal, which is impugned herein, as a result of which, the appeal fails and it is dismissed. No costs. Consequently, connected miscellaneous petition is closed.

(R.S.K.,J.) (S.S.A.,J.)
08-01-2026

Index: Yes/No
Neutral Citation: Yes/No
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To

1. Additional Director,
Directorate of Enforcement,
Southern Regional Office, III Floor,
Murugesan Complex, No.84, Greams Road,
Chennai – 600006.

- 2.Appellate Tribunal under SAFEMA
Ministry of Finance,4th Floor
A and C Wing, Lok Nayak Bhavan
Khan Market, New Delhi – 110 003.



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**R.SURESH KUMAR J.
AND
SHAMIM AHMED J.**

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