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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 7966/2023, CM APPL. 55991/2024&CM APPL. 13149/2026**

VENKATESHWARA HATCHERIES PRIVATE LIMITED

.....Petitioner

Through: Mr. Dayan Krishnan Sr. Adv with Mr.
Vishal Khattar Adv.

versus

**UNION OF INDIA, MINISTRY OF FINANCE, DEPARTMENT OF
ECONOMIC AFFAIRS & ORS.**

.....Respondents

Through: Mr. Vivek Gurnani, Adv. for R-2/ED.
Mr. Rachit Bigghe, Adv. for R-6.

CORAM:

HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

ORDER

% **20.05.2026**

1. This petition is filed seeking to quash order(s) dated 06.03.2023 and 31.03.2023 passed by respondent no.3/Asst. Directorate of Enforcement, whereby the NOC requested by the petitioner under **Rule 10 of the Foreign Exchange Management (Overseas Investment) Rules, 2022** was not considered and was rejected on account of ongoing investigation against the petitioner by the Enforcement Directorate ('ED') for irregularities in outward remittance.

2. During the pendency of the writ petition, this Court has passed various interim orders, allowing the petitioner to remit funds subject to conditions, including the requirement to furnish a bank guarantee as security. The particulars of orders, Bank guarantee requirement, and the



amount remitted have been captured by the petitioner in its short note, which is reproduced as under:

No.	Particulars of Order	BG Requirement	Amount Permitted
1.	23.06.2023	Equivalent to remittance	GBP 3.54 Million
2.	31.10.2023	Equivalent to remittance	GBP 11 Million
3.	26.05.2025	50% of remittance	GBP 4.85 Million
4.	04.09.2025	No BG required	GBP 12.62 Million
5.	23.03.2026	No BG required	GBP 18.40 Million

3. The facts of the case would further indicate that, after investigating, the complaint was sought to be presented. The complaint, however, was returned to be re-filed after rectifying some deficiencies. It is thus noted that the investigation has been completed.

4. With respect to the seizure order dated 31.08.2023 passed under sub-Section 1 of **Section 37A of the Foreign Exchange Management Act, 1999 [FEMA]**, and the order dated 09.10.2023, appeals relating to the same are pending before the Appellate Tribunal, FEMA. The seizure order, to the extent of 90.22 crore, itself is under challenge before the said Appellate authority.

5. Mr. Dayan Krishnan, learned senior counsel appearing for the petitioner on the last date of hearing submitted that, as of now, approximately Rs.314 Crore have been secured, out of which Rs.224 Crore has been secured by way of bank guarantees, and Rs.90.22 Crore has been



secured through immovable properties. He, thus, submitted that the amount which was involved in the complaint was approx. 90 Crore.

6. While noting the said submission, the Court wanted the response of the ED. Today, when the matter is called out, Mr. Vivek Gurnani, learned counsel appearing for the ED reiterates his submissions, contending that the permissible penalty in terms of section 13 of FEMA, is up to three times the amount involved in contravention, which in this case may go up to 276 Crore. He, therefore, justifies the action of the ED and contends that there is no necessity to absolve the petitioner from bank guarantees which have already been furnished.

7. The Court, however, on perusal of the facts and circumstances, finds that, as of now, the penalty has not been imposed. The same would depend upon the facts and circumstances, and the orders in appeal before the Appellate Authority. Even otherwise, the NOC and the restriction for foreign remittance is applicable during the course of investigation. The investigation itself seems to have been completed. The petitioner has already secured bank guarantee of Rs. 224 Crore. The immovable property to the tune of Approx. 90.22 Crore has also been attached.

8. The Court thus finds that the attachment of the immovable property to the extent of Rs.90.22 Crore shall remain in force. Additionally, in order to further secure the interest of the respondent, the bank guarantee to the extent of Rs.100 Crore shall remain alive. The remaining bank guarantees are directed to be released.

9. Let the ED, to comply with the aforementioned directions with due expedition.

10. The same is not an expression on the merits of the manner, which is to



be decided by the competent Court, or the appellate authority.

11. Accordingly, the petition stands disposed of.
12. All rights and contentions are left open.

PURUSHAINdra KUMAR KAURAV, J

MAY 20, 2026/P