Item No.4
19.05.2026
Court. No. 12
GB

FMA 530 of 2026
With
CAN 1 of 2026
With
CAN 2 of 2026

Rajesh Singh
VS
Union of India & Ors.

Mr. Raj Mohan Chatterjee,
Mr. Shankar Prasad Dalapati,
Ms. Debapriya Ghosh

... for the Applicant.

Mr. Vipul Kundalia,
Mr. Soumen Bhattacharjee,
Ms. Shradhya Ghosh,
Mr. Dhirodatto Chaudhuri

... for the UOI.

1. Affidavit-of-service filed in Court today, is taken on record.
2. Despite service none appears on behalf of the respondent no.2. Respondent no.1 is present and supports the order of His Lordship.
3. The appeal arises out of an order dated March 16, 2026, passed in WPA 5053 of 2026. The appellant had challenged a show cause notice issued under Section 8(1) of the Prevention of Money Laundering Act, 2002 (hereinafter referred to as the 'said Act') on the ground that the said notice was issued without application of mind.
4. By an elaborate judgment, His Lordship dealt with the factual aspects of the matter as also the law and came to a finding that, although the show cause notice was

sought to be quashed in the writ petition, the primary grievance of the appellant was that proper documents had not been served, as a result of which the appellant was not in a position to reply to the show cause notice. His Lordship passed the following directions and disposed of the writ petition:-

> *"a. The Adjudicating Authority shall first decide whether the documents which the petitioner has requested to supply the same are the relied upon documents and if the same are relied upon documents, and not served upon the petitioner, before taking up the matter for further hearing to direct the ED to supply the same to the petitioner within two weeks.*
>
> *b. If any order is passed for supply of further relied upon documents to the petitioner, the petitioner shall be given an opportunity to file supplementary reply dealing with the further relied upon documents within two weeks from the date of supply of documents, if any, by the E.D.*
>
> *c. If any or the party is aggrieved with the order of Adjudicating Authority with respect to supply of Relied Upon Documents, the parties shall be at liberty to take appropriate steps in accordance with Section 26 of the PMLA, 2002."*

5. His Lordship also found that the appellant had answered to the show cause by filing a para wise detailed reply to each of the contentions. As the appellant had already submitted a request to supply

all relevant documents, an order was passed upon the adjudicating authority to decide whether the documents which the appellant had requested for, had been relied upon or not and whether they were served upon the appellant or not. Before taking up the matter for final hearing, if it was found that certain documents were relied upon, but not served upon the appellant, those documents would be served. If the appellant was in receipt of further documents, the appellant would be at liberty to file additional reply to the show cause.

6. Under such circumstances, we are of the view that His Lordship appreciated the matter, the facts of the case, the relevant law and decisions of the Supreme Court as also other High Courts and passed directions, thereby, protecting the appellant's right of fair hearing before the adjudicating authority.

7. We find that the show cause notice was accompanied by reasons, comprising of four pages. The proceeding culminated in an order. The said order is an appealable order.

8. The appellant is anxious that the finding of His Lordship at paragraph 26 of the order impugned, may prejudice the appellate tribunal.

9. When an order of the adjudicating authority is challenged, the allegation of the impropriety in the notice, can also be taken as a legal point. The appellate tribunal will proceed accordingly, without

being influenced by any observations in the order impugned. The observations of His Lordship are restricted to the scope and ambit of the writ petition and prayers made therein. We are in agreement with His Lordship that, at the stage of issuance of a show cause notice, a writ court should not interfere by issuing a writ of certiorari thereby quashing the show cause notice. All points, including the legality in issuing the show cause notice, are left open to challenge before the learned appellate tribunal.

10. The appeal is disposed of with the above directions.

11. Accordingly, the appeal and the connected applications are disposed of.

(Shampa Sarkar, J.)

(Ajay Kumar Gupta, J.)