



2026:DHC:1856



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**+ **W.P.(C) 17702/2022 and CM APPL. 34735/2024**

Date of Decision: 12.02.2026

IN THE MATTER OF:

UMRIL MITTAL

.....Petitioner

Through: Mr. Shivesh Kaushik with Mr.
Abhiraj Ray, Advocates.

versus

UNION OF INDIA & ORS.

.....Respondents

Through: Mr. Sandeep Kumar Mahapatra,
CGSC with Ms. Mrinmayee Sahu,
Mr. Tribhuvan and Mr. Abhimanyu,
Advs. for R1 to R3.
Mr Santosh Kumar Rout, Advocate
for PNB.**CORAM:****HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV****JUDGEMENT****PURUSHAINDRA KUMAR KAURAV, J. (ORAL)**

The present petition has been filed seeking disclosure as to whether any Look Out Circular ('LOC') has been issued and is presently subsisting against the petitioner, and if so, the circumstances and authority under whose request such LOCs have been opened.

2. In the order dated 17.01.2023, it has come on record that LOCs have been issued at the instance of Punjab National Bank ('PNB') and an FIR has

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also been registered. Paragraph no.1 of the reply of respondent nos.1 to 3 also states as under:

“1. That an Look Out Circular “LOC” was opened in case no. 219 2020 E 0001 dated 31.01.2020. An LOC exists against Urmil Mittal issued at the behest of Punjab National Bank, with an action “prevent subject from leaving India and inform originator.”

3. It, however, has been brought to the notice of the Court that till date no FIR has been registered against the petitioner. The FIR was registered against the principal borrower and the management people. This position remains undisputed.

4. The facts of the case would indicate that there were two companies namely M/s. Shri Vishnu Overseas Private Limited and M/s Shri Vishnu Eatables Private Limited, who availed a loan facility from the respondent no.5 –PNB and UCO Bank. The petitioner stood as a guarantor to the loan facility availed by the said companies. The petitioner submits that he was not involved in the day-to-day affairs of the said companies. On account of defaults in repayments M/s Shri Vishnu Overseas Private Limited was classified as a Non-Performing Asset (‘NPA’) on 29.09.2017 and M/s Shri Vishnu Eatables Private Limited was classified as NPA on 30.09.2017.

5. The PNB then filed a complaint dated 13.12.2019 for registration of FIR against the borrowers and its management. The complaint culminated into the FIRs bearing nos. RC2192020E0001 and RC2192020E0002. It is the case of the petitioner that he has never been summoned by the CBI and has not been arrayed as an accused in the charge-sheet. Even there is no whisper in the complaint filed by the respondent no.5. It also emerges that the LOCs against two other guarantors, namely Sunny Mittal and Hitesh

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Mittal, have been set aside in W.P.(C) 2799/2021 and W.P.(C) 11381/2021 *vide* order dated 17.02.2023 and 26.07.2023 respectively. It is stated that the LPA 621/2023 is pending against the decision in the case of Hitesh Mittal. However, there is no stay against the order passed by this Court.

6. Learned counsel appearing for the respondent strongly opposes the submissions made by the petitioner.

7. I have heard learned counsel appearing for the parties and have perused the record.

8. Recently, this Court in the case of ***Vineet Gupta v. Union of India & Ors.***,¹ while taking a note of various decisions, *inter alia*, in ***Maneka Gandhi v. Union of India***,² ***Sumer Singh Salkan v. Asst. Director***³ and ***Viraj Chetan Shah v. Union of India***,⁴ has copiously reiterated that LOC is a coercive executive measure that directly impinges upon the fundamental right to travel, which forms an integral part of personal liberty under Article 21 of the Constitution. It was also emphasised that continuance of an LOC is not indefinite and must withstand strict judicial scrutiny on the touchstone of various factors like necessity, proportionality, fairness, and due process. Thus, it was held that where the subject has cooperated with investigation and there is no demonstrable requirement for restraint, continuation of the LOC would be arbitrary and liable to be quashed. The relevant extract of the aforementioned decision reads as under: -

“10. On the conspectus of the aforementioned decisions and memorandum, it is seen that the following guiding principles emerge governing the issuance, continuance, and judicial review of LOC:

(i) LOC constitutes a coercive executive measure having a substantial

¹ 2026 :DHC:1616

² (1978) 1 SCC 248

³ 2010 SCC OnLine Del 2699

⁴ 2024 SCC Online Bom 1195

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impact on the fundamental right to travel, which forms an integral facet of the right to life and personal liberty guaranteed under Article 21 of the Constitution of India. Consequently, the power to issue an LOC must be exercised sparingly, strictly in accordance with law, and only upon satisfaction of the conditions prescribed under the governing Office Memoranda;

(ii) An LOC may be issued only in cases involving a cognizable offence under the relevant statutes, where specific, tangible material demonstrates that the person concerned is deliberately evading arrest or judicial process, or that there exists a real and proximate likelihood of absconding;

(iii) Moreover, the exceptional power under Clause 6 (L) of the Office Memorandum dated 22.02.2021 is to be narrowly construed and may be exercised only in rare and compelling cases, where, the proposed departure of subject poses a clear and grave threat to the sovereignty, security, or integrity of India, or to its strategic or economic interests in a national or systemic sense, or the larger public interest;

(iv) An LOC issued at the instance of Chairman, Managing Director, or Chief Executive Officers of Public Sector Banks, would not withstand the scrutiny of law and judicial review. Thus, as of now, the LOC issued to Public Sector Banks cannot be sustained and are liable to be quashed;

(v) Courts, in exercise of writ jurisdiction, are duty-bound to subject the issuance and continuation of LOCs to strict scrutiny, balancing the legitimate interests of the State with the individual's fundamental rights, and to quash such circulars where the restraint imposed is found to be arbitrary, disproportionate, lacking in statutory backing, or violative of the principles of fairness, reasonableness, and due process. Ultimately, the burden lies squarely upon the "originating agencies" to justify, the necessity, proportionality, and legality of the restraint, failing which such action cannot be sustained. Pertinent to observe that the continuance of an LOC is not indefinite and must be periodically reviewed. Where it is evident from the record that the subject has cooperated with the investigation, has not evaded the process of law, and where no further interrogation or presence is demonstrably required, the continued operation of an LOC would amount to an unreasonable and unjustified restriction on personal liberty;

(vi) However, it is also to be emphasised herein that the Writ Court is not the exclusive grievance redressal mechanism available to a person against whom a LOC has been issued. As held in *Sumer Singh Salkan*, a person against whom a LOC is issued is, in the first instance, required to join the investigation or surrender before the jurisdictional Court, or otherwise satisfy the Court that the LOC is unwarranted. The individual may also approach the authority which ordered issuance of the LOC and seek its withdrawal on the grounds of illegality or non-

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application of mind. An LOC may be withdrawn by the originating authority and may also be rescinded or modified by the trial Court or the Court having jurisdiction over the concerned police station, upon an appropriate application.”

9. Having considered the overall facts and circumstances and the aforementioned principles, it is found that there is no investigation pending against the petitioner. There is no allegation of any obstruction at the instance of the petitioner to any inquiry or investigation whatsoever.

10. In view thereof, the LOC in question stands set aside. Let the bank to send the necessary communication to the authority concerned.

11. Accordingly, the writ petition is disposed of. Pending application also stands disposed of.

PURUSHAINDRA KUMAR KAURAV, J

FEBRUARY 12, 2026

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