



2025:DHC:4924



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of decision: 06.06.2025

+ W.P.(C) 7850/2025

VINEET GUPTA

.....Petitioner

Through: Mr. Arshdeep Singh Khurana,
Ms. Neena Nagpal, Mr. Malak
M Bhatt, Mr. Vishvendra
Tomar, Mr. Ajatshatru Singh
Rawat & Ms. Tannavi Sharma,
Adv.

versus

UNION OF INDIA AND ORS. & ANR.Respondents

Through: Mr. Santosh Kumar Rout,
Standing Counsel with Ms.
Dharna Veragi & Ms. Shruti
Tripathi & Ms. Shakshi Raj,
Adv. for R-2.

CORAM:

**HON'BLE MR. JUSTICE HARISH VAIDYANATHAN
SHANKAR**

% **JUDGEMENT (Oral)**

HARISH VAIDYANATHAN SHANKAR, J.

**CM APPL. 34561/2025 (By Petitioner No.1. seeking suspension of
LOC to travel abroad) in W.P.(C) 7850/2025**

1. This is an application filed on behalf of the Applicant/
Petitioner No. 1 under Section 151 of the Code of Civil Procedure,
1908 seeking suspension of Look Out Circular [“LOC”] issued by
Respondent No. 1 at the behest of Respondent Nos. 2 and 3 against
Petitioner No. 1 and for permitting Petitioner No.1 to travel abroad.



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2. Originally, the said application sought permission to travel from 30.05.2025 to 15.06.2025. However, by way of an additional affidavit, the Applicant/ Petitioner No. 1 now seeks to travel from 30.06.2025 to 30.07.2025.

3. Learned counsel for the Applicant/ Petitioner No.1 would also rely upon Orders dated 05.03.2025, 29.04.2025 and 15.05.2025, as modified by Order dated 03.06.2025, passed by the Court of learned Special Judge, Prevention of Money Laundering Court, Chandigarh, in UID No. HR0089.

4. A perusal of these Orders would show that the permission granted by the Court is in respect of cases registered under Section 4 of the Prevention of Money Laundering Act, 2002 [“PMLA”]. The Orders permitting Petitioner No. 1 to travel relate to cases registered by the Central Bureau of Investigation [“CBI”] and the Enforcement Directorate [“ED”] in respect of various offences, which are also the subject matter of the present proceedings.

5. Learned counsel for the Applicant/ Petitioner No. 1 also refers to paragraph 9 of the said Order dated 05.03.2025 which reads as follows:

“9. Consequently, the instant application is hereby allowed. Passport is ordered to be released to the applicant against proper receipt and identification. Further applicant is permitted to travel the places i.e. USA (New York, New Haven, San Francisco, San Diego, Seattle), Mexico and Japan from 15.05.2025 to 15.06.2025. However, he shall abide by following conditions :

(i) That the applicant/accused shall furnish his present and permanent address, mobile number, e-mail address to the Investigating Officer. In case of any change thereof he shall inform the Investigating Officer forthwith.

(ii) That the applicant/accused shall keep his mobile phone on ON MODE in all circumstances and all days and shall also call



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the Investigating Office apprising him of his whereabouts, if asked.

(iii) That the applicant/accused shall furnish all necessary and minute details along with his itinerary to the Investigating Officer qua his stay in the USA (New York, New Haven, San Francisco, San Diego, Seattle), Mexico and Japan.

(iv) That the applicant/accused shall not seek extension of the period of his stay abroad at any ground whatsoever, except in case of medical emergency and shall return to India by 15.06.2025 and report to the court in person on next working day of this court, along with his passport.

(v) That the applicant/accused shall not visit any other country except USA (New York, New Haven, San Francisco, San Diego, Seattle), Mexico and Japan.

(vi) That the applicant/accused shall furnish indemnity bond to the tune of Rs. Fifty Lacs before this court/duty court, and the said amount shall be forfeited in case there is any violation of conditions on the part of the applicant/accused.

(vii) That the applicant/accused shall also deposit an FDR to the tune of Rs. Fifteen lacs in his own name before this court, which he shall not be able to encash without permission of this Court and the said amount shall be forfeited in case there is any violation of conditions on the part of the applicant/accused.”

6. Learned counsel for the Applicant/ Petitioner No.1 would state that similar conditions can be imposed upon him and he may be granted the relief of permission to travel.

7. Learned counsel for the Respondent Bank opposes the present application, stating that a large scale fraud has been committed by the Applicant/ Petitioner No.1 against the Central Bank of India and other consortium banks, amounting to Rs.1626.74 crores.

8. Learned counsel for the Respondents would also state that there is a grave risk in allowing Petitioner No. 1 to travel and the departure of the Applicant/ Petitioner No.1 out of India would be detrimental to the economic interest of the country.



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9. This Court has considered the submissions of the learned counsel for the parties as well as the reply filed by the Respondent No.2/Bank.

10. This Court notes that the LOC at the behest of the CBI has been closed w.e.f. 01.08.2024 and this fact has also been captured in the Order passed by the learned Trial Court. This Court is also cognizant of the fact that the LOC at the behest of the ED has been suspended *vide* Order dated 29.04.2025.

11. It is also worth-noting that *vide* Order dated 27.05.2024 in C.W.P. No.3201/2022, the High Court of Punjab & Haryana has set aside the declaration of Fraud and also quashed the FIR. Though the Hon'ble Supreme Court has remitted the matter back to the High Court of Punjab & Haryana in respect of the quashing of FIR, the declaration of fraud remains set aside.

12. It has also been contended that the FIR and all consequential proceedings on the complaint of the Bank are currently stayed.

13. This Court has also perused the reply filed by the Bank. The only reason given by the Respondent Bank for the purpose of supporting the LOC is as follows:

“.....The role of the Petitioners is under grave suspicion being the master-mind of the offence to cheat the Consortium Banks for an amount of Rs. 1626.74 crores. The Petitioners cannot be allowed to travel abroad since the Petitioners, presumably in search of a safe haven, will not return to India to repay the loan to the Respondent No. 2 Bank and other Consortium Banks. It is submitted that public money is involved and also a substantial finance is involved and the Consortium Banks, including the Respondent No. 2 Bank may suffer and caused to economic loss if relief sought by the Petitioners is granted.”



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14. This reply, to say the least, is highly generic and vague without giving particulars in any manner, as to the assumptions set out therein.

15. Having regard to the afore-mentioned facts as also the fact that the concerned Courts of Special Judge, Prevention of Money Laundering Court, as well as the CBI, Chandigarh have already considered this matter at length and has passed Orders, and since the Learned Special Judge specifically recorded that there was nothing in particular brought on record by the CBI to establish that Petitioner No. 1 had attempted to hamper the trial and misuse any concessions granted earlier, there is no reason to decline the request of Petitioner No. 1 for travelling abroad.

16. It is also appropriate to mention that the right to travel has been held by the Hon'ble Supreme Court as an integral part of the fundamental right to life under Article 21 of the Constitution of India, and any restriction of the same without sufficient cause, would amount to a violation of his fundamental rights.

17. The reasons for travel, as stated by Petitioner No.1, is to spend time with his child and also to attend his graduation. Undoubtedly, the graduation of a child from Yale University is a matter of great pride and this Court does not find it inappropriate to permit Petitioner No. 1 to travel for the said purpose.

18. In view of the above, Petitioner No. 1 is permitted to travel abroad on conditions similar to those as already imposed by the learned Special Judge *vide* Order dated 05.03.2025.

19. In addition to the conditions (i) to (v) as imposed by the learned Special Judge in Chandigarh, this Court is of the opinion that an indemnity bond in the sum of Rs. 50 lacs be furnished before this



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Court with the said amount being forfeited in case there is any violation of conditions on the part of the Applicant/ Petitioner No. 1.

20. The Applicant/ Petitioner No.1 shall also deposit a Fixed Deposit Receipt [“FDR”] in the sum of Rs. 25 lacs in his own name before this Court which he shall not be able to encash without permission of this Court and the said amount shall be forfeited in case there is any violation of conditions on the part of the Applicant/Petitioner No.1.

21. List on 13.06.2025 before concerned Joint Registrar for compliance.

CM APPL. 34562/2025 (By Petitioner No.2. seeking suspension of LOC to travel abroad) in W.P.(C) 7850/2025

22. This is an application filed on behalf of Applicant/ Petitioner No. 2 under Section 151 of the Code of Civil Procedure, 1908 for the purpose of suspension of LOC issued by Respondent No.1 at the behest of Respondent Nos. 2 and 3 and for permitting Petitioner No. 2 to travel abroad from 15.06.2025 to 15.07.2025.

23. Learned counsel for the Applicant/ Petitioner No.2 would also rely upon Orders dated 29.04.2025 and 15.05.2025 as modified by Order dated 03.06.2025, passed by the Court of the Special Judge, Prevention of Money Laundering Court, Chandigarh, in UID no. HR0089.

24. A perusal of these Orders would show that the permission granted by the Court is in respect of cases registered under Section 4 of the Prevention of Money Laundering Act, 2002. The Orders permitting Petitioner No. 2 to travel relate to cases registered by the CBI and the ED in respect of various offences, which are also the



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subject matter of the present proceedings

25. Learned counsel for the Applicant/ Petitioner No. 2 also refers to paragraph 9 of the said Order dated 05.03.2025 which reads as follows:

“9. Consequently, the instant application is hereby allowed. Passport is ordered to be released to the applicant against proper receipt and identification. Further applicant is permitted to travel the places i.e. USA (New York, New Haven, San Francisco, San Diego, Seattle), Mexico and Japan from 15.05.2025 to 15.06.2025. However, he shall abide by following conditions :

(i) That the applicant/accused shall furnish his present and permanent address, mobile number, e-mail address to the Investigating Officer. In case of any change thereof he shall inform the Investigating Officer forthwith.

(ii) That the applicant/accused shall keep his mobile phone on ON MODE in all circumstances and all days and shall also call the Investigating Office apprising him of his whereabouts, if asked.

(iii) That the applicant/accused shall furnish all necessary and minute details along with his itinerary to the Investigating Officer qua his stay in the USA (New York, New Haven, San Francisco, San Diego, Seattle), Mexico and Japan.

(iv) That the applicant/accused shall not seek extension of the period of his stay abroad at any ground whatsoever, except in case of medical emergency and shall return to India by 15.06.2025 and report to the court in person on next working day of this court, along with his passport.

(v) That the applicant/accused shall not visit any other country except USA (New York, New Haven, San Francisco, San Diego, Seattle), Mexico and Japan.

(vi) That the applicant/accused shall furnish indemnity bond to the tune of Rs. Fifty Lacs before this court/duty court, and the said amount shall be forfeited in case there is any violation of conditions on the part of the applicant/accused.

(vii) That the applicant/accused shall also deposit an FDR to the tune of Rs. Fifteen lacs in his own name before this court, which he shall not be able to encash without permission of this Court and the said amount shall be forfeited in case there is any violation of conditions on the part of the applicant/accused.”



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26. Learned counsel for the Applicant/ Petitioner No. 2 would state that similar conditions can be imposed upon him and he may be granted the relief of permission to travel.

27. Learned counsel for the Respondent Bank opposes the present application, stating that a large scale fraud has been committed by the Applicant/ Petitioner No. 2 against the Central Bank of India and other consortium banks, amounting to Rs.1626.74 crores.

28. Learned counsel for the Respondents would also state that there is a grave risk in allowing Petitioner No. 2 to travel and the departure of the Applicant/ Petitioner No. 2 out of India would be detrimental to the economic interest of the country.

29. This Court has considered the submissions of the learned counsel for the parties as well as the reply filed by Respondent No.2/Bank.

30. This Court notes that the LOC at the behest of the CBI has been closed w.e.f. 01.08.2024 and this fact has also been captured in the Order passed by the learned Trial Court. This Court is also cognizant of the fact that the LOC at the behest of the ED has been suspended *vide* Order dated 29.04.2025.

31. It is also worth-noting that *vide* Order dated 27.05.2024 in C.W.P. No.3201/2022, the High Court of Punjab & Haryana has set aside the declaration of Fraud and also quashed the FIR. Though the Hon'ble Supreme Court has remitted the matter back to the High Court of Punjab & Haryana in respect of the quashing of FIR, the declaration of fraud remains set aside.

32. It has also been contended that the FIR and all consequential proceedings on the complaint of the Bank are currently stayed.



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33. This Court has also perused the reply filed by the Bank. The only reason given by the Respondent Bank for the purpose of supporting the LOC is as follows:

“.....The role of the Petitioners is under grave suspicion being the master-mind of the offence to cheat the Consortium Banks for an amount of Rs. 1626.74 crores. The Petitioners cannot be allowed to travel abroad since the Petitioners, presumably in search of a safe haven, will not return to India to repay the loan to the Respondent No. 2 Bank and other Consortium Banks. It is submitted that public money is involved and also a substantial finance is involved and the Consortium Banks, including the Respondent No. 2 Bank may suffer and caused to economic loss if relief sought by the Petitioners is granted.”

34. This reply, to say the least, is highly generic and vague without giving particulars in any manner, as to the assumptions set out therein.

35. Having regard to the afore-mentioned facts as also the fact that the concerned Courts of Special Judge, PMLA Court, as well as the CBI, Chandigarh have already considered this matter at length and has passed Orders, and since the Learned Special Judge specifically recorded that there was nothing in particular brought on record by the CBI to establish that Petitioner No. 2 had attempted to hamper the trial and misuse any concessions granted earlier, there is no reason to decline the request of Petitioner No. 2 for travelling abroad.

36. It is also appropriate to mention that the right to travel has been held by the Hon'ble Supreme Court as an integral part of the fundamental right to life under Article 21 of the Constitution of India, and any restriction of the same without sufficient cause, would amount to a violation of his fundamental rights.

37. The reasons for travel, as stated by Petitioner No. 2, is to spend



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time with his two children who are presently working and residing in the United States of America and are unable to visit India due to their work schedules. Undoubtedly, this Court does not find it inappropriate to permit Petitioner No. 2 to travel for the purpose of meeting his children.

38. In addition to the conditions (i) to (v) as imposed by the learned Special Judge in Chandigarh, this Court is of the opinion that an indemnity bond in the sum of Rs. 50 lacs be furnished before this Court with the said amount being forfeited in case there is any violation of conditions on the part of the Applicant/ Petitioner No. 2.

39. The Applicant/ Petitioner No. 2 shall also deposit a FDR in the sum of Rs. 25 lacs in his own name before this Court which he shall not be able to encash without permission of this Court and the said amount shall be forfeited in case there is any violation of conditions on the part of the Applicant/Petitioner No. 2.

40. List on 13.06.2025 before concerned Joint Registrar for compliance.

**HARISH VAIDYANATHAN SHANKAR, J.
(VACATION JUDGE)**

JUNE 6, 2025/v/sj