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

+ **W.P.(C) 8516/2024**

KRISHNA DEVI

.....Petitioner

Through: Mr. Anil Kaushik, Senior Advocate
with Mr. Rajat Rana, Mr. Mayank
Gautam, Mr. Ravi Data, Mr. Rajesh
Sharma and Mr. Karan Mehta,
Advocates.

versus

UNION OF INDIA & ANR.

.....Respondents

Through: Ms. Radhika Bishwajit, CGSC with
Ms. Drishti Rawal, Mr. Karan
Khetani, Ms. Gurleen Kaur Waraich
and Mr. Aviral Jain, Advocates for R-
1.

Mr. Rajiv Kapur, Standing Counsel
with Mr. Akshit Kapur and Ms. Riya
Sood, Advocates for SBI.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

% **15.10.2024**

CM APPL. 60376/2024*(on behalf of Petitioner seeking early hearing)*

1. For the grounds and reasons stated in the application, the same is allowed.
2. With the consent of counsel for parties, the matter is taken up for disposal today itself.
3. Disposed of.

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4. The Petitioner in the present petition assails the Look Out Circular¹

¹ "LOC"



issued by Bureau of Immigration/Respondent No. 1 at the request of State Bank of India/ Respondent No. 2 against the Petitioner.

5. The background leading to the filing of the present petition is as follows:

5.1. The Petitioner allegedly stood as a personal guarantor for the credit facilities availed by PC Jewellers Ltd.² from Respondent No. 2.

5.2. PCJ availed various credit facilities from a consortium of 13 banks, including Respondent No. 2. However, due to default in repayment of dues by PCJ, Respondent No. 2 filed an application under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993, before the Debt Recovery Tribunal. Further, Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016,³ were also initiated by Respondent No. 2 before the National Company Law Tribunal, Delhi.⁴

5.3. During the pendency of the aforementioned proceedings, PCJ and Respondent No. 2 entered into an out of court One Time Settlement⁵ which was sanctioned by Respondent No. 2 through letter dated 12th March, 2024.

5.4. At one of the meetings of PCJ, Petitioner was informed that despite the settlement between Respondent No. 2 and PCJ, an LOC has been issued against him by Respondent No. 1 at the request of Respondent No. 2 due to which the Petitioner is unable to travel abroad. Hence, the present petition.

6. In the above background, counsel for the Petitioner states that the Petitioner is not a Director of PCJ and was not involved into its day-to-day affairs and functioning. He further submits that in view of the terms of OTS

² "PCJ"

³ "the Code"

⁴ "NCLT"

⁵ "OTS"



agreed upon by PCJ and Respondent No. 2, PCJ has settled its outstanding dues to Respondent No. 2 and, accordingly, the said Respondent has withdrawn the insolvency petition initiated under Section 7 of the Code which is evidenced from the order dated 30th April, 2024, passed by the NCLT. He also points out that the LOC issued against the Managing Director of PCJ, Mr. Balram Garg, has already been quashed by this Court through order dated 12th July, 2024, in W.P.(C) 6739/2024.

7. Mr. Rajiv Kapur, counsel for Respondent No. 2, confirms the aforementioned submissions made by the counsel for the Petitioner, regarding the OTS.

8. Ms. Radhika Bishwajit, CGSC for Respondent No. 1, on instructions, states that the relief sought in the present petition has been rendered infructuous as the LOC against the Petitioner has already been cancelled on 29th June, 2024.

9. The statement made by counsel for Respondent No. 1 is taken on record. Since the LOC against the Petitioner has already been cancelled, no further directions are required to be passed in the present petition.

10. Disposed of, along with pending application, if any.

SANJEEV NARULA, J

OCTOBER 15, 2024/d.negi