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

+ **W.P.(C) 11044/2024**

NITIN GUPTA

.....Petitioner

Through: **Mr. Ravi Data and Mr. Rajesh
Sharma, Advocates.**

versus

UNION OF INDIA & ANR.

.....Respondents

Through: **Mr. Anurag Ahluwalia, CGSC with
Mr. Kaushal Jeet Kait, GP with Mr.
Gaurav Dua and Mr. Jatin Yadav
Daksh, Advocates for R-1.
Mr. Rajiv Kapur and Mr. Akshit
Kapur, Advocates for R-2.**

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

09.08.2024

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1. The present petition assails the Look Out Circular¹ issued by Bureau of Immigration/Respondent No. 1 at the request of State Bank of India/ Respondent No. 2 against the Petitioner.

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

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

¹ "LOC"

² "PCJ"



2.2. 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

2.3. 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.

2.4. 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.

3. 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 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Respondent No. 2, PCJ has settled its outstanding dues to Respondent No. 2 and, accordingly, the said Respondent has withdrawn the insolvency petition initiated under Section 7 of the Code which is evidenced from the order dated 30th April, 2024, passed by the NCLT.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

³ “the Code”

⁴ “NCLT”

⁵ “OTS”



through order dated 12th July, 2024, in W.P.(C) 6739/2024.

4. Mr. Rajiv Kapur, counsel for Respondent No. 2 confirms the afore-noted submissions made by the counsel for the Petitioner, regarding the OTS.

5. Counsel 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 28th June, 2024.

6. 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.

7. Disposed of.

SANJEEV NARULA, J

AUGUST 9, 2024

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