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

\+ LPA 77/2025

SERIOUS FRAUD INVESTIGATION OFFICE .....Appellant

Through: Mr. Shashank Bajpai, CGSC with Mr. Srivats Kaushal, SPC, Ms. Stuti Karwal, Mr. Divyanshu Bhardwaj, Mr. Piyush Kumar, Mr. Suyash Rawat & Mr. Vibhav Singh, Advs. with Mr. Pradeep Ballayan, I.O.

versus

ATUL PUNJ & ORS. .....Respondents

Through: Mr. Dayan Krishnan, Sr. Adv. with Mr. Himanshu Gupta & Mr. Shreedhar Kale, Advs. for R-1.
Mr. Anurag Ojha, SSC with Mr. V.K. Saksena & Ms. Hemlata Rawat, JSCs for R-2.

CORAM:
HON'BLE MR. JUSTICE YASHWANT VARMA
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

O R D E R

% **31.01.2025**

CM Appl. 6068/2025 (Ex.)

Allowed subject to all just exceptions.

Application stands disposed of.

LPA 77/2025 & CM APPL. 6067/2025 (Stay)

1. This appeal is directed against the order passed by the learned Single Judge dated 07 January 2025 and in terms of which a challenge

to a **Look Out Circular**[1] which had come to be issued by the **Serious Fraud Investigation Office**[2] has come to be disposed of with the following operative directions:

> "**28.** The LOC against the Petitioner is primarily stemming from the financial defaults of the company for which the Petitioner served as Director. In the absence of conclusive findings after five years of investigation and with the Petitioner's continued cooperation, the prolonged restrictions on his right to travel cannot be justified. Furthermore, the Petitioner has expressed his willingness to furnish security to mitigate flight risk. However, keeping in mind the nature of allegations levelled against the Petitioner, in the opinion of the Court, blanket quashing of the LOC at this stage would be premature. Therefore, in order to balance Petitioner's right to travel abroad and the State's interest in ensuring his availability for investigation, this Court is inclined to permit the suspension of LOC against the Petitioner by the Respondents to allow him to travel to the United Kingdom for a period of 15 days commencing from 1st February, 2025 i.e., till 15th February, 2025, subject to following conditions:
>
> > (a) Petitioner shall deposit, by way of a security, an FDR amounting to INR 5 Crores with the Registrar General of this Court, which shall be kept on an auto-renewal mode.
> >
> > (b) Petitioner shall deposit the original title deeds of the property (valued at INR 53.89/- Crores), which is in the name of his wife, with the Registrar General of this Court. This security shall be accompanied by an undertaking submitted by the Petitioner's wife that she would have no objection in case the afore-noted property is forfeited in the event any of the aforesaid conditions imposed on Petitioner are violated. In the undertaking to be submitted before the Registrar, Petitioner's wife shall also specifically undertake that she shall not alienate or mortgage the afore-noted property without the permission of the Court, subject to further orders.
> >
> > (c) Petitioner shall file a detailed affidavit disclosing his complete itinerary, including his stay at various locations abroad as well as telephone numbers and residential/ hotel addresses. He shall also file an undertaking that he shall strictly adhere to the itinerary mentioned in the affidavit and not visit any other stations. He shall also furnish a copy of the air tickets purchased by him before the Registrar General.

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[1] LOC
[2] SFIO

(d) Petitioner shall file an undertaking before the Registrar General that he shall return to the country by 15th February, 2025. Petitioner shall intimate the Registrar General before leaving as well as within 72 hours of his return from abroad.

(e) Petitioner shall also provide contact numbers where he shall be available during his stay abroad and at least one of the said contact numbers shall be kept operational at all times, subject to all fair exceptions, including the period he is on board the aircraft.

(f) Petitioner shall file a self-attested copy of his passport to the Court, along with a copy of the visa, on his return to India.

(g) Petitioner shall also deposit the passport of his wife in India with the Registrar General of this Court."

2. We find from the material which appears to have been placed before the learned Single Judge that the SFIO had opened the LOC pursuant to an investigation that was instituted almost five years ago. In the course of the various forays before this Court, our Court by an order dated 25 September 2023 passed in WP(Crl.) 2847/2023 had restrained the SFIO from taking coercive steps against the first respondent in the present appeal. That order, we are informed, still continues to hold the field.

3. The learned Single Judge has dealt with the various apprehensions that were addressed by the SFIO and has essentially come to observe that the mere inability to repay loans, absent any criminal wrongdoing or material to show a siphoning of public money, would not justify the fettering of an individual's right to travel and which otherwise flows from Article 21 of the Constitution.

4. We also bear in consideration the various conditions which have come to be imposed by the learned Single Judge while according permission to the respondent to undertake the travel, notwithstanding the existence of the LOC. Amongst the significant conditions which

have been imposed, is the requirement of a **Fixed Deposit Receipt**[3] amounting to INR 5 crores being submitted with the Registrar General of the Court. The respondent has also been required to deposit the original title deed of a property which stands in the name of his spouse, with the Registrar General.

5. We are informed by Mr. Krishnan, learned senior counsel for the respondent, that the aforesaid conditions have been duly complied with and the verification process has also been completed.

6. Apart from the above, the respondent was also required to ensure that the passport of his spouse, who would remain in India during the period of his travel, is also deposited with the Registrar General. Even this stipulation, we are informed, has been fulfilled and completed.

7. The appellant would contend that the respondent had failed to accord any cooperation in the course of the investigation and has taken conflicting stands therein. We are, however, not inclined to interfere with the ultimate directions as framed by the learned Single Judge or interdict the permission to travel based on that submission bearing in mind the undisputed fact that the investigation itself has lingered on for over four years now.

8. We also bear in mind the assessment that has been undertaken under the **Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015**[4] and pursuant to which the various foreign assets that were alluded to have been duly noticed and examined. The aforesaid assessment, as framed under the BMA, is presently pending challenge in an appeal which is stated to have been

[3] FDR
[4] BMA

instituted.

9. Insofar as the other assets of the respondent are concerned, we are informed that apart from those which stand recorded in his own name, the SFIO had in the course of its investigation also uncovered various assets and properties in which it was alleged that the respondent had a beneficial interest. In the course of those proceedings, the respondent is stated to have admitted to some of those assets present in the country being liable to be viewed as his property.

10. We thus only deem it apposite to note that such properties and immovable assets, which were acceded to before the SFIO in the course of its investigation as belonging to the respondent, shall not be transferred nor would any third party interests be created upon them, during the period of the respondent's travel.

11. Subject to the aforesaid additional stipulation, the order passed by the learned Single Judge dated 07 January 2025 is affirmed.

12. The appeal shall stand disposed of on the aforesaid terms.

YASHWANT VARMA, J.

HARISH VAIDYANATHAN SHANKAR, J.

JANUARY 31, 2025/kk