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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 6534/2023, CM APPL. 25659/2023 and CM APPL. 33713/2023**

REKHA DIXIT

.....Petitioner

Through: Mr. Mohit Mathur, Sr. Advocate with
Mr. Karan Sharma, Advocate.

versus

UNION OF INDIA & ORS.

.....Respondents

Through: Mr. Ripu Daman Bhardwaj CGSC

CORAM:
HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

ORDER
03.02.2026

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1. The present petition has been preferred under Article 226 of the Constitution of India, 1950, essentially seeking quashing of Look Out Circular (hereinafter referred to as 'LOC'), issued against the petitioner. For the sake of clarity, the prayer clause is extracted as under: -

"a. Issue appropriate Writ, Order or Direction especially in the nature of Mandamus or any other appropriate Writ to quash the Lookout Circular (LOC) issued against the Petitioner by Respondent No. 2 and/or direct the Respondents to withdraw/cancel Look Out Circular issued against the Petitioner.

b. Direct the Respondents to serve the notice of the Look Our Circular as the same has not been received by the Petitioner till date, further directing the Respondents not to take any action on the LOC issued against the Petitioner.

c. Direct the Respondents to remove the name of the Petitioner from list of persons against whom LOC was opened.



d. Pass any other Order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case.”

2. The facts of the case would indicate that the petitioner was serving as a Vice Chairperson in Jaypee Healthcare Limited ('JHL'), a subsidiary company of Jaypee Infratech limited ('JIL') and thereafter, JHL was sold to Max Group of Hospitals through the NCLT on 03.10.2024 and the full dues of all the Lenders including all the outstanding interest/penal interest was paid by Max as well as a large amounts towards Equity (reported as around INR 650 crores) was paid out to the Suraksha Group, the successful Resolution Applicant for JIL.

3. The Ministry of Corporate Affairs ("MCA") vide order dated 21.04.2020 ordered investigation into the affairs of Jaiprakash Associates Limited ("JAL") and JIL. The petitioner submits that the Company under Investigation ("CUI") has no concern with Jaypee Healthcare Limited. According to the petitioner, the JAL had approximately 71.64% equity shareholding in JIL as on 31.03.2017 which were reduced to 60.98% in the year 2023. It is the specific case of the petitioner that she had never been a Director in JAL and had only received Rs.6.44 Crore from JIL over the period of seven (07) years as salary and in FY 2019-20 Rs. 1,59,30,531/- on account of emoluments from Jaypee Healthcare Limited and she had never been responsible for managing the day-to-day affairs of CUI as since 2008-2009, she has focused upon establishing healthcare and sports services.

4. Nevertheless, it is further stated that with respect to the investigation being carried out by the Serious Fraud Investigation Office (SFIO), the petitioner has fully co-operated. The petitioner was called twice in last four



(4) years; once before the filing of the petition and once after the petition was filed. The petitioner appears both the times. It is further stated that with the permission of the Court *vide* order dated 01.06.2023, the petitioner had travel abroad and she has timely reported back to the concerned authority. It is thus stated that as of now, there exists no reason as to why the LOC shall continue when the petitioner is fully co-operating with the respondent-authority. It is thus stated in view of the principle laid down by the Supreme Court as well as this Court in various decisions; the LOC deserves to be quashed.

5. Mr. Ripu Daman Bhardwaj, learned counsel, who appears on behalf of the respondent opposes the aforesaid submissions made by the petitioner and he contends that the investigation is still pending and the charge sheet has not yet been filed. He, however, does not dispute the fact that the petitioner has appeared before the authority as and when she was called upon.

6. Having considered the submissions made by learned counsel for the parties, the Court finds that the purpose of issuance of the LOC seems to have been served. There does not seem to be any overt act in the part of the petitioner. The petitioner is duly co-operating with the investigation. The petitioner was earlier granted permission to travel abroad and she has timely reported back to the concerned authority.

7. The Court in the case of **Anant Raj Kanoria v. Union of India & Ors.**,¹ and in the case of **Shiv Dargar v. Directorate of Enforcement**,² has considered the aspect of continuation of LOC. The Court had found that the

¹ W.P.(C) 3313/2023.

² W.P.(C) 8861/2025.



LOC is a major impediment for a person who wants to travel abroad. No person can be deprived of his right to go abroad other than for very compelling reasons. The same is the view taken by the Supreme Court in the case of *Maneka Gandhi v. Union of India*.³

8. The Court thus found that without any compelling reasons, the continued restraint imposed upon the petitioner by way of the LOC operates as an unwarranted restriction on his personal liberty and right to travel under Article 21 of the Constitution of India. The same has to be contemporaneous justified by placing material on record. The mechanical continuation of the LOC, despite the absence of necessity of the petitioner for investigation at this stage, renders the restraint arbitrary, particularly when the petitioner has neither evaded the process of law nor shown any inclination to obstruct the investigation.

9. Having considered the overall facts and circumstances and keeping in view the principles laid down by this Court in the aforementioned cases, the Court deems it appropriate to quash the impugned LOC with the following directions: -

- (i) The petitioner to submit an undertaking on an affidavit before the SFIO affirming that she shall continue to co-operate in the investigation, if any, and shall appear before the Investigating Agency as and when she is required;
- (ii) She shall produce all material/ documents requested from her by the Investigating Agency as may be available within her power/ possession;

³ (1978) 1 SCC 248



- (iii) Henceforth, she shall furnish a full itinerary before the Investigating Agency seven days before undertaking any journey abroad;
- (iv) Once the complaint is filed, the said exercise will have to be undertaken before the Court of competent jurisdiction;
- (v) In case, the investigating agency or the Court has any reservation about the petitioner's travel, the Investigating Agency shall be entitled either to restrain him or to direct for issuance of a fresh LOC.
10. With the aforesaid directions, the instant petition stands disposed of along with all pending applications.

PURUSHAINDR KUMAR KAURAV, J

FEBRUARY 3, 2026

Nc/ksr