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

CNR No. DLHC010398832026

+ **W.P.(CRL) 2587/2026 & CRL.M.A. 26181/2026**

SANJAY DANGI

.....Petitioner

Through: Mr. Dayan Krishnan Sr. Adv. along
with Mr, Daanish Abbasi, Ms.
Radhika Yadav, Mr. S. Kale, Adv.

versus

UNION OF INDIA & ORS.

.....Respondents

Through: Mr. Mahendra Vikram Singh,SPC,
Mr. Vanshul Pali , GP and Mr. Kartik
Khullar, Adv.
Mr. Zoheb Hossain, Sr. Adv along
with Mr. Anirudh Sharma, Panel
Counsel, Mr. Pranjal Tripathi, Mr.
Ankit Swami, Mr. Prakhar Bhardwaj,
Adv.
Mr. Neeraj, I.O.

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CNR No. DLHC010401842026

+ **W.P.(CRL) 2603/2026 & CRL.M.A. 26434/2026**

AMIT DANGI

.....Petitioner

Through: Mr. Karan Kadam and Mr. Daanish
Abbasi, Adv.

versus

UNION OF INDIA & ORS.

.....Respondents

Through: Mr. Zoheb Hossain, Sr. Adv along
with Mr. Anirudh Sharma, Panel
Counsel, Mr. Pranjal Tripathi, Mr.
Ankit Swami, Mr. Prakhar Bhardwaj,
Adv.



CORAM:
HON'BLE MS. JUSTICE MADHU JAIN

ORDER

% **01.09.2026**

1. This hearing has been conducted through hybrid mode.
2. The present writ petitions, being **W.P.(CRL.) 2587/2026** and **W.P.(CRL.) 2603/2026**, have been preferred under Article 226 of the Constitution of India read with Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (hereinafter referred to as 'BNSS'), seeking quashing of the respective Look-Out Circulars (hereinafter referred to as 'LOCs') stated to have been opened against the petitioners at the instance of the Directorate of Enforcement (hereinafter referred to as 'ED') in connection with **ECIR/STF/17/2025**. The petitioners also seek, by way of interim relief, suspension of the respective LOCs and permission to travel abroad for their stated business engagements. Since both petitions arise from the same ECIR and involve common questions of fact and law, they were heard together and are being decided by this common order.

FACTUAL MATRIX:

3. Sanjay Dangi, the petitioner in **W.P.(CRL.) 2587/2026**, was a director of Authum Investment and Infrastructure Limited (hereinafter referred to as 'Authum') from 21.04.2021 to 30.09.2024 and is presently an adviser to its Board. Amit Dangi, the petitioner in **W.P.(CRL.) 2603/2026**, has been a director of Authum since September 2020, the precise date not being stated in the record.
4. The relevant ECIR originates from **FIR Nos. RC2242022A0002** and **RC2242022A0003**, both registered by the Central Bureau of Investigation (hereinafter referred to as 'CBI') on 19.09.2022 for offences under Sections



120-B and 420 of the Indian Penal Code, 1860 (hereinafter referred to as ‘IPC’) and Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 (hereinafter referred to as ‘PC Act’). The former FIR relates to Reliance Commercial Finance Limited (hereinafter referred to as ‘RCFL’), while the latter concerns Reliance Home Finance Limited (hereinafter referred to as ‘RHFL’). The FIRs pertain to alleged financial irregularities during the period between 2017 and 2019, when RCFL and RHFL were under their erstwhile management. Neither petitioner has been named as an accused in either FIR.

5. The petitioners’ association with RCFL and RHFL is through Authum. The resolution of RCFL was undertaken under the Reserve Bank of India’s Prudential Framework for Resolution of Stressed Assets dated 07.06.2019. A Resolution Implementation Memorandum was executed on 30.09.2022 and a Supplemental Resolution Implementation Memorandum was executed on 14.10.2022, following which Authum acquired the shares and assumed control of RCFL. In relation to RHFL, the Supreme Court permitted implementation of the resolution plan on 03.03.2023. A Business Transfer Agreement was executed on 29.03.2023 for the transfer of an identified business undertaking of RHFL, comprising specified assets and liabilities, to RCFL, the transfer is stated to have been completed on 31.03.2023.

6. On 19.04.2024, the CBI called upon Authum to furnish documents in connection with the investigation. The petitioners state that the documents and assistance sought were provided. Following investigation into the two FIRs dated 19.09.2022, the CBI filed a combined charge-sheet before the Special CBI Court at Mumbai on 18.09.2025. Neither petitioner has been arrayed as an accused in the said charge-sheet.



7. On 22.07.2025, the ED recorded **ECIR/STF/17/2025** on the basis of the aforesaid scheduled offences. Searches were conducted on 24.07.2025 and 25.07.2025 at premises connected with Authum and the petitioners. Summons under Section 50 of the Prevention of Money Laundering Act, 2002 (hereinafter referred to as '**PMLA**') were thereafter issued. The material on record indicates that the petitioners appeared pursuant to the summons and that their statements were recorded on several dates.

8. The scope of **ECIR/STF/17/2025** was subsequently expanded through successive addenda. By an addendum dated 10.12.2025, **FIR No. RC0742025A0008** dated 06.12.2025 was made part of the ECIR. **FIR No. RC0742025A0007**, also dated 06.12.2025, was added on 06.02.2026. By a further addendum dated 25.03.2026, **FIR No. 61** dated 12.03.2026, registered by the Economic Offences Wing, Mumbai, was included. On 28.04.2026, further complaints received from various banks and merged into **FIR Nos. RC0742025A0007** and **RC0742025A0008** were also made part of the ECIR. Neither petitioner has been named as an accused in any of these FIRs.

9. On 16.10.2025, Amit Dangi was stopped by the immigration authorities at Mumbai International Airport while proposing to travel to Dubai. According to him, it was on this occasion that he first became aware of the LOC issued against him. Sanjay Dangi, apprehending the existence of an LOC against him, addressed communications to the ED seeking confirmation and withdrawal or suspension thereof. According to him, no response was received.

10. A prosecution complaint dated 12.06.2026 was thereafter filed by the ED before the Court of the learned Special Judge (PMLA), Rouse Avenue Courts, New Delhi, and came to be numbered as **CT Case No. 46/2026**. *Vide*



order dated 11.08.2026, the learned Special Judge issued pre-cognizance notices to the proposed accused persons. Neither petitioner has been arrayed as an accused in the prosecution complaint. Sanjay Dangi has not been cited as a witness, whereas Amit Dangi has been cited as prosecution witness (PW) No. 130.

11. The petitioners initially challenged the LOCs before the Bombay High Court in ***Criminal Writ Petition (L) No. 10037/2026***. On 20.08.2026, the petition was withdrawn after the ED stated that the appropriate court for the relief sought would be a competent court in Delhi and that no objection to territorial jurisdiction would be raised if the petitioners approached such court. The Bombay High Court granted liberty accordingly, while leaving all questions on merits open.

12. By the respective interim applications, Sanjay Dangi seeks permission to travel to the United States of America from 26.08.2026 to 03.09.2026 and again from 15.09.2026 to 24.09.2026 for business purposes. Amit Dangi seeks permission to travel to the United Arab Emirates from 09.09.2026 to 13.09.2026 for business meetings and engagements.

13. Hence, the present writ petitions.

14. Having regard to the factual matrix of the present petitions and the nature of the rival submissions advanced by the learned counsel for the parties, this Court considers it apposite to identify the principal issues that arise for consideration. Since the submissions on certain aspects overlap and were advanced at different stages of the hearing, including in response and rebuttal, the same are being noticed issue-wise, for the sake of clarity and to avoid repetition.

SUBMISSIONS ADVANCED:



Submissions advanced by Mr. Zoheb Hossain, learned Senior Counsel appearing for the ED

15. Mr. Hossain contends that both petitioners ought to approach the competent Special Court for suspension or cancellation of their respective LOCs, which, according to him, operate in a manner similar to a non-bailable warrant (hereinafter referred to as 'NBW'). He submits that the court seized of the criminal proceedings is best placed to consider whether the LOCs should continue. He relies upon the order dated 20.08.2026 passed by the Bombay High Court in ***Criminal Writ Petition (L) No. 10037/2026***, whereby the petitioners were permitted to withdraw that petition with liberty to approach an appropriate court in Delhi, while all questions on merits were left open. He separately submits that the scope of interference by a writ court is limited, particularly where the economic interests of the country are involved. To strengthen his aforesaid submission, Mr. Hossain has placed reliance upon the following judgments.

<u>JUDGMENT</u>	<u>BASIS OF RELIANCE</u>
<i>Sumer Singh Salkan v. Asstt. Director (supra)</i>	This Court held that a person against whom an LOC has been issued may approach the officer who directed its issuance or seek its rescission from the trial court where the case is pending, or from the court having jurisdiction over the concerned police station. Reliance is placed on this formulation to contend that the remedy is available before the criminal court even if the



<u>JUDGMENT</u>	<u>BASIS OF RELIANCE</u>
	person concerned has not yet been formally arrayed as an accused.
<i>Shivani Saxena v. Directorate of Enforcement, 2022 SCC OnLine Del 785</i>	This Court held that a writ court may exercise self-restraint where the Special Court provides a more efficacious remedy and is already seized of the facts and material forming part of the complaint.
<i>Shyam Poddar v. Union of India & Anr., W.P.(C) 13011/2024, order dated 24.02.2026</i>	This Court held that the absence of cognizance does not prevent the person concerned from approaching the court before which the complaint is pending.

16. On the strength of the aforesaid, the learned Senior Counsel contends that the prosecution complaint arising from the same ECIR is already pending before the Special Court and that the said Court is seized of the matter. It is, therefore, submitted that the Special Court is the appropriate forum to examine the necessity and proportionality of the concerned LOCs.

Submissions advanced by Mr. Dayan Krishnan, learned Senior Counsel appearing for Sanjay Dangi

17. Mr. Krishnan, learned Senior Counsel appearing for Sanjay Dangi, in reply, submits that the analogy sought to be drawn between an LOC and an NBW is misplaced. He further submits that an NBW is issued by a court in a pending criminal proceeding and may, therefore, be recalled by that court. An



LOC, on the other hand, is an executive measure issued at the instance of an investigating agency. Since Sanjay Dangi has neither been arrayed as an accused nor subjected to any process issued by the Special Court, it is submitted that no criminal proceeding is pending against him in which he may seek recall of the LOC before the Special Court. He further submits that, on the basis of the aforesaid, his remedy under Article 226 of the Constitution cannot be displaced.

18. Mr. Krishnan further relies upon the judgment of a coordinate Bench of this Court in ***Ritu Singal v. Bureau of Immigration & Ors., 2026:DHC:3806***, to submit that the Court drew a distinction between cases where no prosecution was pending against the person subjected to the LOC and those where such person had already been arrayed as an accused in a pending charge-sheet or complaint. It is pointed out that, in one such case, although the ED had filed a complaint against other persons and sought continuance of the LOC on the ground that the proceeds of crime were yet to be identified, the person concerned had not been proposed as an accused. That the Court entertained the writ petition and set aside the LOC. That, in contrast, persons who had themselves been arrayed as accused in pending criminal proceedings were relegated to the competent criminal courts. It is, therefore, contended that Sanjay Dangi falls within the former category and cannot be relegated to the Special Court merely because a prosecution complaint arising from the same ECIR is pending against other persons.

19. Mr. Krishnan also relies upon ***Dhruv Tewari v. Directorate of Enforcement, 2022:DHC:2403***, wherein the petitioner had not been arrayed as an accused either in the predicate offences or in the ECIRs and was subsequently cited only as a witness in the prosecution complaint. The Court



held that the issuance and continuance of a preventive or detentive LOC against such a person was unwarranted. It is, therefore, contended that the principle laid down therein applies to the present cases, since Sanjay Dangi has not been arrayed as an accused, whereas Amit Dangi has only been cited as a prosecution witness.

Submissions advanced by Mr. Daanish Abbasi, learned counsel appearing for Amit Dangi

20. On the question of forum, the learned counsel appearing for Amit Dangi submits that the jurisdiction of this Court under Article 226 remains available to protect the petitioner's fundamental rights. That the power of the Special Court, if any, may provide an additional remedy, but cannot operate as an absolute bar to the exercise of writ jurisdiction where no criminal proceeding is pending against the petitioner. In the alternative, he submits that, if Amit Dangi is relegated to the Special Court, his right to maintain such an application, notwithstanding that he is not an accused, be expressly preserved and the application be considered expeditiously in view of the urgency of his proposed travel.

ANALYSIS AND FINDINGS:

21. This Court has heard the learned counsels for the parties and perused the material placed on record.

22. The aforementioned applications i.e. ***CRL.M.A. 26181/2026 in W.P.(CRL.) 2587/2026 & CRL.M.A. 26434/2026 in W.P.(CRL.) 2603/2026*** seek permission to travel abroad during the pendency of the writ petitions and, for that limited purpose, suspension of the respective LOCs. It is clarified at the outset that this Court is not, at this stage, examining the challenge to the



validity of the LOCs or the prayer for their quashing. The said issue continues to remain open for consideration in the respective writ petitions.

23. The controversy in the present applications is, therefore, confined to a narrower question, namely, whether the prayer for temporary suspension of the LOCs and permission to travel abroad ought to be considered by this Court in the first instance, or by the competent Court at Delhi which is already seized of the prosecution complaint.

24. The prosecution complaint dated 12.06.2026, arising out of **ECIR/STF/17/2025**, is pending as **CT Case No. 46/2026** before the learned Special Judge, Rouse Avenue Courts, New Delhi. *Vide* order dated 11.08.2026, pre-cognizance notices were issued to the proposed accused persons. The learned Special Court is, therefore, already seized of the prosecution complaint arising out of the said ECIR. It is, however, the case of the ED that the continued operation of the LOCs is also necessary since further investigation under the same ECIR remains in progress and that while considering the applications, the learned Special Court would be in a position to call for such material relating to the further investigation as may be considered necessary.

25. Clause (C) of paragraph 11 of **Sumer Singh Salkan v. Asstt. Director (supra)** recognises that an LOC may be rescinded by the trial court where the case is pending, or by the court having jurisdiction over the concerned police station, “*on an application by the person concerned*”. The expression “*person concerned*” refers to the person against whom the LOC operates and does not make his arraignment as an accused a condition for maintaining such an application.



26. The aforesaid position also finds support in ***Shivani Saxena v. Directorate of Enforcement (supra)***, which recognises the Special Court seized of the complaint as the more efficacious forum to approach, and in ***Shyam Poddar v. Union of India & Anr. (supra)***, wherein the absence of cognizance was held not to render the remedy unavailable. Thus, although neither petitioner has been named as an accused and petitioner Amit Dangi has been cited as a prosecution witness, that circumstance does not preclude the learned Special Court from considering their limited prayers for temporary permission to travel. Their status as non-accused persons shall, however, remain material to their challenge to the issuance and continued operation of the LOCs, which shall be considered independently in the writ petitions.

27. In the considered view of this Court, the answer to the aforesaid question must be determined having regard to the nature of the interim relief sought and the material which would be necessary for assessing whether such permission is warranted. A prayer for temporary suspension of a LOC for the purpose of foreign travel necessarily entails an assessment of the purpose and duration of the proposed travel, the stage of the criminal proceedings, the likelihood of the applicant being available to join the investigation as and when required, and the safeguards, if any, required to secure his presence.

28. These considerations are intrinsically connected with the pending criminal proceedings and are matters on which the Court seized of the prosecution complaint would be better placed to undertake an effective and informed assessment. Such Court would have the benefit of the record of the proceedings before it and would be in a position to impose such conditions as



may be considered necessary while balancing the applicant's right to travel against the requirements of the criminal proceedings.

29. Accordingly, insofar as the present applications are concerned wherein the petitioners are seeking temporary suspension of the LOCs solely for the purpose of travelling abroad, this Court is of the view that the applicants ought, in the first instance, to approach the competent Court at Delhi seized of the prosecution complaint. This, however, shall have no bearing on the merits of the challenge to the LOCs raised in the writ petitions, which shall be considered independently at the appropriate stage.

30. Therefore, **CRL.M.A. 26181/2026** in **W.P.(CRL.) 2587/2026** and **CRL.M.A. 26434/2026** in **W.P.(CRL.) 2603/2026** are accordingly, disposed of with liberty to the respective petitioner(s), to approach the learned concerned Special Court in Delhi before which the prosecution complaint arising out of **ECIR/STF/17/2025** is pending.

31. If the applications for which the concerned liberty has been granted are filed before the concerned learned Special Court, the said Court shall consider them and dispose of them as expeditiously as possible, on their own merits and in accordance with law, after affording a reasonable opportunity of hearing to the other side. All contentions are kept open. Nothing stated in this order shall influence the learned Special Court while deciding the applications.

32. Also, the pendency of the concerned writ petitions shall not in any way influence the concerned learned special court in deciding the applications, if filed by the petitioners under the aforesaid liberty granted.

33. A copy of this order be sent to the concerned learned Special Court for necessary information and compliance.



W.P.(CRL.) 2587/2026 & W.P.(CRL.) 2603/2026

34. Arguments heard in part.

35. It is clarified that the liberty granted to the respective petitioners to approach the learned Special Court is confined to their prayers for temporary suspension of the LOCs for the purpose of travelling abroad. The challenge to the issuance and continued operation of the LOCs, as raised in the writ petitions, remains pending before this Court and shall be considered on the next date of hearing.

36. List on 28.09.2026.

37. The order be uploaded on the website *forthwith*.

MADHU JAIN, J

SEPTEMBER 01, 2026/PG