2025:DHC:10149

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

% **Reserved on: 20.08.2025**
Pronounced on: 18.11.2025
Uploaded on: 18.11.2025

\+ CRL.M.C. 214/2025 & CRL.M.A. 1146/2025 INTERIM RELIEF

MRS PAWANJOT KAUR SAWHNEY .....Petitioner

Through: Mr. Maadhav Khurana, Senior Advocate with Mr. Omar Hoda, Ms. Eesha Bakshi, Mr. Sanjivni Paritosh, Ms. Asees Kaur, Ms. Pragya, Ms. Rishika Jain, Advocates.

versus

UNION OF INDIA AND ANR .....Respondents

Through: Ms. Shiva Lakshmi, CGSC with Ms. Archana Surve, GP, Ms. Nupur Grover, SFIO, Mr. Madhav Bajaj, Ms. Katyayani Joshi, Advocates, M. Akanksha Bhadouria, Senior Assistant Director.

CORAM:
HON'BLE MR. JUSTICE RAVINDER DUDEJA

JUDGMENT

RAVINDER DUDEJA, J.

1. The present petition has been filed seeking to set aside the order dated 21.10.2024 passed by the Ld. Special Judge (Companies Act),

Dwarka Courts in LA No. 01 in "SFIO v. Jasjit Singh Sawhney" in CC No. 746/2024 and consequential permission to travel to the United Kingdom.

Brief facts:

2. The petitioner, an Overseas Citizen of India (OCI) and UK resident, travelled to India in December 2021 and, while attempting to return to UK in August 2022, was stopped at IGI Airport due to a Look Out Circular (LOC) dated 13.06.2022 issued pursuant to an SFIO investigation ordered on 09.03.2022 into Net4 India Ltd., and related family-run companies over alleged siphoning of about Rs. 208 crores from Indian and foreign banks. She suffered a cardiac arrest in September 2022, pursuant to that she filed writ petitions challenging the LOC dated 13.06.2022 and permission to travel to UK for medical reasons. Permission was conditionally allowed on 09.11.2022 subject to disclosure of bank accounts, appointment of a competent representative, and an undertaking of cooperation. However, this Court later found her non-compliant as she refused to share bank statements beyond two years, appointed an inexperienced representative, withheld details of her son (a co-accused residing abroad), and denied knowledge of company affairs. Observing her lack of cooperation and risk of absconding, this Court on 13.12.2022 declined permission to travel, however stating that if in the next two months, the Petitioner fully cooperates with the SFIO, this Court will

reconsider the issue, and on 16.08.2023 dismissed her petitions bearing no. W.P.(C) 13057/2022 and W.P. (C) 14757/2022, upholding the LOC as justified in view of the gravity of economic offences under investigation as well as the investigation being at an early stage.

3. The investigation revealed that the petitioner, Pawanjot Kaur Sawhney, actively held key positions in the group companies, being a shareholder and director in Net4 Network Services Ltd. (NNSL) and PCPL, and a signatory to their financials. She signed the Master Reseller Agreement (MRA) dated 20.10.2016 on behalf of NNSL, which diverted revenues of Net4 India Ltd. (N4IL) to NNSL without mandatory board approvals, disclosures, or shareholders' consent as required under Sections 177, 188 and 189 of the Companies Act, 2013. Though she denied presence in India at the time of execution, records showed the MRA was notarised in her name, suggesting it was an afterthought to legitimise diversion of funds. As a director, she failed to disclose her interest despite her husband and son being directors of N4IL, and thereby facilitated concealment from the nominee director and investors. Through this arrangement, about Rs. 60 crores of N4IL's revenue was wrongfully channelled into NNSL, ultimately benefiting her family and related entities controlled through Sterling Capital Pvt. Ltd. and TONIPL, causing wrongful loss to N4IL, its creditors, and stakeholders.

Submissions of petitioner:

4. Mr. Madhav Khurana, Learned Senior Counsel for the Petitioner submitted that the impugned order is liable to be set aside inasmuch as the Petitioner was neither a Director nor shareholder of Net4India Ltd. at any point of time and had merely functioned as a Non-Executive Director in its subsidiaries Net4Network Services Ltd. (11.05.2015–25.03.2019) and Pipetel Communications Pvt. Ltd. (05.01.2017–25.03.2019), without any role in day-to-day management or financial affairs, and that the Respondent has failed to produce any material to impute knowledge or complicity to her in the alleged siphoning of funds. It was submitted that the Respondent has from time to time misled the Ld. Special Judge and even this Court by quoting inconsistent and ever-changing figures of the alleged quantum involved (from Rs. 738 crores, reduced to Rs. 200 crores, then to Rs. 7 crores and thereafter to Rs. 70 crores in LPA 643/2024 & 645/2024), without placing any incriminating evidence on record, and despite the investigation being complete save for approval of the Central Government under Section 212(12) of the Companies Act, 2013.

5. Learned Senior Counsel submitted that the Petitioner, a 76-year-old widow and is a British citizen since 2000, permanently resides in the U.K. She has been suffering from multiple serious health ailments including arrhythmia, dementia, thalassemia, and post-pacemaker complications requiring urgent replacement with a MICRA AV

device, has been compelled to remain in India for over two years due to the travel restrictions, despite her full cooperation with the Respondent and compliance with Court directions. It was submitted that her right to travel abroad for urgent medical treatment is an integral facet of "personal liberty" guaranteed under Article 21 of the Constitution of India, which extends even to foreign nationals. Reliance has been placed upon ***Maneka Gandhi v. Union of India*** 1978 AIR 597, ***Satwant Singh Sawhney v. D. Ramarathnam*** 1967 AIR(SC) 1836, ***Louis De Raedt v. Union of India*** 1991 AIR(SC) 1886, and more recently in ***Anuras v. Bank of India*** **2022 SCC OnLine Bom 1160**, and denial of such right merely on speculative apprehension of her non-return amounts to arbitrary and discriminatory treatment.

6. Reliance was also placed upon ***Marie Andre Leclerc v. State (Delhi Admn.)*** (1984) 2 SCC 443, wherein even a life convict was permitted to travel abroad for medical treatment subject to safeguards, to argue that the Ld. Special Judge ought to have considered the imposition of appropriate conditions instead of outright denial. Counsel further submitted that reliance upon sealed-cover material, expressly disapproved by the Supreme Court in ***Madhyamam Broadcasting Ltd. v. Union of India*** 2023 SCC OnLine SC 366, ***Amit Kumar Sharma v. Union of India*** 2023 SCC OnLine

366, and ***Sonali Ashok Tandle v. Ranka Lifestyle Ventures*** 2023 SCC OnLine Bom 1918, vitiates the impugned order.

7. It was emphasized that the Petitioner has at all times cooperated with the investigation, furnished bank statements to the extent available from her U.K. banks, appointed an authorised representative, submitted undertakings, and even attended prolonged interrogations despite ill-health. The refusal to permit travel, equating an urgent medical necessity with leisure travel, was argued to be contrary to settled constitutional principles, violative of Article 21, and unsustainable in law.

Submissions of the Respondent:

8. Learned CGSC for the Respondent submitted that the plea of medical urgency is misconceived since adequate facilities for her treatment are available in India. She is not financially disabled to bear the expenses of treatment, resides at Vasant Kunj, is a lady of good financial status and has nowhere pleaded financial incapacity to avail such treatment here. It is further submitted that, the submission that denial of permission violates Article 21 was refuted, reliance being placed on settled law that economic offences are a class apart and need to be viewed with greater seriousness, and that the Petitioner, a British national and OCI cardholder, with no roots in India, is a proven flight risk, particularly when her co-accused son is absconding and another accused has expired. The contention regarding sealed cover procedure

was denied, it being asserted that the Court had relied on the entire material on record including the status report supplied to the Petitioner. It was further submitted that the Petitioner willfully withheld full disclosure of her bank accounts abroad, and the communication received from her bank was only a façade to obstruct investigation.

9. Reliance was placed on the findings in the judgment dated 16.08.2023 (*Annexure A-13*) wherein a co-ordinate bench of this Court recorded that the Petitioner had vast business experience, actively participated in siphoning funds, and her plea of ignorance could not be accepted. Reliance was also placed upon ***Mandhir Singh Todd v. ED*** Crl. M.C. 289/2023, where on similar facts the request of a British national to travel abroad for medical treatment was declined since such treatment was available in India, as also upon ***Ghanshyam Pandey v. UOI*** W.P.(C) 3545/2022 and ***ED v. Kanwar Deep Singh*** Crl. M.C. 1748/2022, to contend that the present petition also merits dismissal.

10. It has been further submitted that the petitioner was questioned on 13.03.2023 to produce the bank statements of all her Indian as well as non-Indian accounts she had, but she gave an evasive statement.

Rejoinder submissions of the petitioner:

11. Learned senior counsel for the petitioner submitted that the reliance placed by the respondents on alleged non-submission of bank

documents is misplaced, as all statements have admittedly been furnished, and in any event, those observations predate this Court's order dated 16.08.2023. It was pointed out that the investigation is complete and the matter has been pending at the stage of cognizance since May 2024, but repeated adjournments have been sought by the respondents themselves, as reflected in trial court orders dated 20.04.2024, 07.08.2024, 20.09.2024 and 21.01.2025. Further reliance was placed on *Annexure A-6* (DIR-12 form) to show that the petitioner was placed at a non-executive director slab, contrary to the respondents' claim of her having vast business experience and a controlling role. The SFIO's own prosecution complaint acknowledges that it was the petitioner's son who was the founder, promoter and director, while her late husband controlled the affairs of the group companies, and the petitioner had no active role in day-to-day management. Lastly, it was emphasised that the petitioner, who has been freely travelling in and out of the country since 2015, faces a prolonged trial and with investigation already complete and the case is at cognizance stage, there is no justification to continue restricting her.

Analysis and Conclusion

12. Having considered the rival submissions and the material placed on record, this Court finds no merit in the present petition. The petitioner's claim that she was a non-executive Director, a simple housewife having no knowledge of looking into the day to day affairs

of the company or had no expertise and was unaware of the working of the company is contrary to her own filing of Form PAS-4 before the MCA, describing her as a person of "very vast experience in the field of business and allied activities and great industrialist", thereby, belying her plea of ignorance. Moreover, she is signatory to MRA by virtue of which the entire business of N4IL was transferred to NNSL for a period of seven years, which as per the complainant, was executed to avoid payment of legitimate dues to the creditors and the banks. As per investigation, the signing of MRA was carried out without attaining the requisite compliances required under the Companies Act and in contravention of Sections 177, 188 & 189 of the Companies Act, 2013. Further, even the non-executive Director, as the petitioner claims herself to be, is also liable to the specific acts and violations committed by them during their tenure in terms of Section 149 (12) of the Companies Act, 2013.

13. While dismissing the earlier two petitions, being WP (C) 13057/2022 and WP (C) 14757/2023 vide judgment dated 16.08.2023, this Court observed that the submissions of the petitioner regarding her being unaware of the company's activities and her signing the agreement at the behest of her late husband and son cannot be accepted at this stage.

14. In the same Writ Petitions, vide previous order dated 13.12.2022, this Court observed that petitioner has refused to provide the bank account statements of her own bank accounts beyond two years period on the ground that bank statements pertaining to the period beyond two years cannot be fetched online and can only be obtained by her after submitting a request upon physically visiting the concerned branch of the bank. However, such an argument was turned down observing that most banking now a days is conducted online. The Court noted non-cooperation by the petitioner as the bank account statements beyond two years period were not being provided. The Court was also not satisfied with the authorized representatives as it was found that he was not having knowledge of the petitioner or her family dealings in order to extend any cooperation to the SFIO.

15. Investigation has revealed that only seven bank accounts were provided by the petitioner and of the said accounts, the statements were provided of only two bank accounts by the petitioner and for a period of two years. With respect of one of the accounts, the HSBC, UK Bank Account, the petitioner had stated that the said account was closed and the statement could not be provided. However, she later produced two confirmation letters issued by HSBC dated 31.01.2023 and 23.02.2023 which categorically affirm that she had maintained account No. 11489275 from 16.05.1997 until its closure in 2018. The investigation has also found that 33 accounts (some of which are

claimed to be her FD accounts) belonging to the petitioner or the companies owned by her were concealed. Four such accounts with PNB reflected substantial transactions. These accounts were unearthed only through investigation and not voluntarily disclosed by the petitioner, thus, reflecting non-cooperation during investigation.

16. The petitioner's plea for permission to travel abroad proceeds on the assumption that the mere completion of investigation dilutes the apprehension earlier expressed by this Court regarding her lack of cooperation and high flight risk. However, this Court's orders dated 13.12.2022 and 16.08.2023, passed after detailed consideration of her conduct during investigation, unequivocally record that despite repeated directions, the petitioner failed to comply with the conditions imposed for temporary suspension of LOC, namely furnishing complete bank statements, appointing a competent authorised representative, and providing full particulars of her son, a co-accused who continues to remain outside India. The finding of non-cooperation was therefore not casual but based on a sustained pattern of evasiveness, and the petitioner has been unable to demonstrate any material change in this regard.

17. This Court cannot lose sight of the fact that the petitioner, a British national and OCI cardholder with no roots in India, had been directed as far back as 13.12.2022 to rectify her defaults if she sought

reconsideration of her request to travel abroad. Yet, the co-ordinate Bench, in its final order dated 16.08.2023, found her explanations unsatisfactory and upheld the continuation of the LOC, observing that the petitioner possessed business experience, held key positions in group companies, and could not feign ignorance of the transactions under investigation. These findings, which have attained finality, continue to govern the assessment of her credibility and the risk of her absconding. The petitioner cannot now selectively rely on the completion of investigation to seek relaxation of restrictions while ignoring the adverse findings regarding her past conduct.

18. Further, the plea of medical urgency does not persuade this Court. The petitioner has not been able to establish that the requested medical procedure, implantation of the MICRA AV device, is unavailable in India. On the contrary, the Respondent has pointed out that advanced cardiac treatment of this nature is readily accessible in India at several tertiary medical institutions of good reputation. The petitioner did not plead financial incapacity before the trial court, nor has she placed any medical opinion demonstrating that the procedure must necessarily be performed in the United Kingdom. In light of this, her claim to travel abroad on the mandate of Article 21 is untenable. As held in ***Mandhir Singh Todd v. ED***(supra), when adequate treatment is available domestically, mere preference for a foreign medical facility does not justify permitting an accused facing serious

economic-offence allegations to leave the jurisdiction. In ***Kanwar Deep Singh v. Directorate of Enforcement*** Crl.M.C. 6638/2022this court reiterated that while an accused has a fundamental right to proper medical treatment and dignified health care, this right must be balanced against the prosecuting agency's legitimate concern that the accused may abscond. This Court emphasised that medical board reports play a crucial role in determining whether adequate treatment is available within the country. Noting that the petitioner's required treatment was available at multiple institutions in India and that an earlier order had not been challenged, the Court found no ground for interference. The petition was therefore dismissed, and the Supreme Court subsequently refused to interfere by dismissing the SLP moved against this order. It is also pertinent to point out that Courts have consistently refused to quash or suspend LOCs on the ground of medical treatment when adequate treatment is available in India.

19. It is also significant that the petitioner's son, a co-accused, remains outside India, and another accused her husband, has since expired. These circumstances strengthen the apprehension that granting the petitioner liberty to travel abroad, particularly when she is a foreign national with longstanding ties to the UK, may result in her non-return. Her contention that she has previously travelled freely prior to the LOC is irrelevant, as it was precisely her conduct during investigation that led to the adverse findings of this

Court on previous occasions. The Respondent's apprehension, based on concrete past behaviour, cannot be dismissed as speculative.

20. This Court is conscious of the principles of personal liberty under Article 21, however, these rights must be balanced against the compelling public interest in ensuring that persons accused of grave economic offences remain amenable to the legal process. The petitioner has not shown any exceptional circumstance warranting deviation from the earlier findings of non-cooperation. Nor has she been able to dispel the risk highlighted in the orders dated 13.12.2022 and 16.08.2023. The reliance placed upon decisions permitting travel in humanitarian situations is misplaced, for in each such case the accused had demonstrated bona fide cooperation, an element conspicuously absent here.

21. Accordingly, in view of the petitioner's past non-compliance, the availability of requisite medical treatment within India, her status as a foreign national with no roots in this country, and the real and subsisting apprehension that she may not return to face trial, this Court finds no ground to interfere with the impugned order dated 21.10.2024. The petition is therefore dismissed.

RAVINDER DUDEJA, J.

November 18, 2025/na