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W.P.No.13960 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04.06.2025

CORAM:

THE HONOURABLE MR. JUSTICE **D.BHARATHA CHAKRAVARTHY**

W.P.No.13960 of 2025
and W.M.P.No.15714 of 2025

Karthik Parthiban

... Petitioner

Vs

1. The Superintendent of Police,
Central Bureau of Investigation (CBI),
Bank Securities and Frauds Branch,
No. 36, Bellary Road, Ganga Nagar,
Bangalore – 32.
2. Foreigner Regional Registration Officer (FRRO),
Bureau of Immigration, Ministry of Home Affairs,
Government of India, No. 26, Haddows Road,
Chennai – 600 006.
3. The Assistant Foreigners Regional Registration Officer,
Bureau of Immigration, Anna International Airport,
Meenambakkam Airport, Chennai.
4. The Bureau of Immigration,
Ministry of Home Affairs,
New Delhi,
represented by its Assistant Director/SIC.
(R4- suo moto impleaded as per order dated
04.06.2025 in W.P.No.13960 of 2025 by DBCJ) ... Respondents

Prayer: Writ Petition filed under Article 226 of Constitution of India for the
issuance of Writ of Mandamus, directing the first respondent to withdraw the



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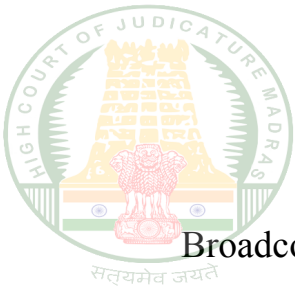
request for Look Out Circular issued to respondent No.3, against the petitioner in connection with C.C.No.554 of 2023, pending before the Additional Chief Metropolitan Magistrate, Egmore, Chennai.

For Petitioner : Mr.A.Ashwin Kumar
For R1 : Mr.K.Srinivasan
Senior Counsel for CBI cases
For R2 to R4 : Mr.C.V.Shyam Sunder
Senior Central Government Standing Counsel

ORDER

This writ petition is filed for a writ of mandamus, directing the first respondents to withdraw the Look Out Circular (LOC) issued to the third respondent against the petitioner in connection with C.C. No. 554 of 2023, pending before the Additional Chief Metropolitan Magistrate, Egmore, Chennai.

2. The case of the writ petitioner is that he was one of the directors of a company, namely M/s. Broadcourt Investments Limited, which was incorporated in the British Virgin Islands. The petitioner, along with one C. Sivasankaran, served as directors during the relevant period. While so, one M/s. Axcel Sunshine Limited (A-1) borrowed a significant amount of more than Rs. 500 Crores and allegedly siphoned it off inter alia to the said M/s.

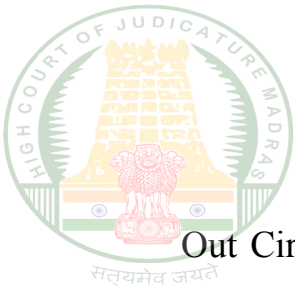


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Broadcourt Investments Limited, where the petitioner was also a director. In

WEB COPY this regard, an investigation is ongoing; after it was completed, a final report was filed in C.C. No. 554 of 2023 on 24.12.2022. Subsequently, when the petitioner returned to India, a Lookout Circular was issued against him, although he is not named as an accused. Despite not being an accused, he has been detained in India to date. The Lookout Circular remains pending against him unnecessarily. The petitioner has appeared before the first respondent for inquiry and has not violated any law in any manner whatsoever.

3. On an earlier occasion, when the petitioner approached this Court through W.P.No.15517 of 2023, he was permitted to travel to Malaysia to join his family, subject to certain conditions. The petitioner accordingly travelled and has returned to India. On a second occasion, he again approached this Court through W.P.No.28915 of 2023 and was permitted to travel to Malaysia under similar conditions. Once more, he travelled and returned. On a third occasion, through W.P.No.24906 of 2024, the petitioner was granted permission to travel to Malaysia, subject to the conditions mentioned therein, and he complied and returned as well. According to the learned counsel appearing for the petitioner, he has abided by all the conditions on each of the three occasions and has returned to India without fail. Despite this, the Look



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Out Circular remains pending against him. The petitioner asserts his right to travel abroad, despite being a foreign national; this right cannot be curtailed.

The Look Out Circular has now been pending for years, for an extended time. This impinges upon the petitioner's right to life under Article 21 of the Constitution of India. The petitioner cannot be kept waiting indefinitely when absolutely no progress has been made in the investigation and when he has made every effort to cooperate. Therefore, this Court should quash the Look Out Circular and permit the petitioner to travel. According to the learned counsel for the petitioner, restraining him for years would amount to a violation of his rights even before he is made an accused in the pending criminal case.

4. Per contra, *Mr. K. Srinivasan* , the learned Senior Counsel appearing on behalf of the first respondent, submitted that this is a case of a serious and exceptional nature. Hundreds of crores of rupees are involved in the matter. Originally, a corporate entity, namely M/s. Winwind OY, a Finland-based company, obtained the loan with a proper corporate guarantee. Through a series of transactions, ultimately, another loan was obtained from the bank, and the money was siphoned off to settle the earlier loan under the corporate



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guarantee, leaving the loan obtained without the corporate guarantee still outstanding, which has caused grave loss to the bank. The amount of money involved is substantial and could even cause severe prejudice to the financial system of the country. Therefore, the case must be investigated thoroughly.

5. Thirty-one accused persons are involved so far, and the transaction spans multiple jurisdictions. Earlier, when the charge sheet was filed, the petitioner was unavailable for investigation. Therefore, keeping open the option for further investigation under Section 173(8) of the Criminal Procedure Code (Cr.P.C), the charge sheet was filed, and further investigation is ongoing. The petitioner is being investigated as part of that further inquiry. He is a citizen of the Seychelles, with which India has no extradition treaty, and he would be at risk of flight once he is permitted to move abroad without conditions, making it impossible to bring him back before the Courts of law. Although the petitioner has complied with conditions and returned to India on earlier occasions, such permission was granted only with specific stipulations. The Lookout Circular cannot be permanently quashed or kept in abeyance regarding this petitioner. The investigation is still pending due to the complexity of the matter.

6. *Mr. C.V. Shyam Sunder*, the learned Senior Central Government



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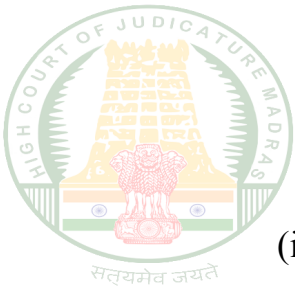
Standing Counsel appearing on behalf of Respondents 2 to 4, submitted that

these authorities only implement and monitor the circulars and do not have any role in deciding whether to continue or withdraw the Lookout Circular. They sincerely and effectively implement the circulars and monitor developments.

7. I have considered the rival submissions from both sides and reviewed the case records.

8. As rightly contended by the learned Senior Counsel appearing on behalf of the first respondent, the normal principle that once the accused is brought to books and is facing the law enforcement agency and attending Court, the Lookout Circular thereafter need not be continued, as laid down by the Hon'ble Division Bench of this Court in ***Karti P. Chidambaram -Vs- Bureau of Immigration & others (W.P. No. 21305 of 2017)*** and other cases, cannot be applied directly to this case, considering the following specific facts:-

(i) The petitioner is a citizen of Seychelles, which lacks an extradition treaty with India.



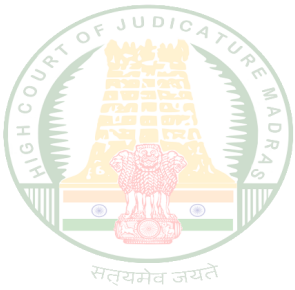
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(ii) The counter-affidavit filed expresses a reasonable apprehension that the petitioner would be a flight risk if permitted to travel without any conditions.

(iii) The case involves an investigation into a serious offense involving hundreds of crores of rupees and has significant implications for the country's banking system.

9. In light of this, the first respondent is right in continuing the Lookout Circular against the petitioner.

10. At the same time, the time lag must also be considered. The investigation cannot remain indefinitely pending, and it shall not extend beyond a reasonable period, so as to infringe upon the petitioner's right to life under Article 21 of the Constitution of India. Given the complexity of the matter and the explanation provided by the First Respondent that a prior loan transaction involving one company was investigated, which led to further inquiries with multiple accused persons, the continuation of the investigation thus far can be justified. It is pertinent to note that even in 2023, the following was recorded in paragraph No. 6 of the judgment in W.P. No. 28915 of 2023:-



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“The amount of USD 67 Million have been transferred by the main accused to the account of M/s. Broad Court Investment Ltd (A2) in violation of the Banking Norms. He would further submit that the further investigation is almost completed and based on the materials, there is likelihood of the petitioner being implicated as an accused in this case.”

11. Therefore, the petitioner cannot be required to stay in India indefinitely without even being named as an accused in the criminal case. As the petitioner is a foreign national, the appropriate rules will apply once they are named as an accused. However, the investigation should be completed within a reasonable timeframe. Considering the nature of the pleadings made by the learned Senior Counsel for the first respondent, the Central Bureau of Investigation (CBI), I believe that the investigation should be completed within one year from today. Upon completion, if no case is established against the petitioner, the first respondent shall revoke the Lookout Circular. If any offence is made out and the petitioner is added as an accused, he must face the trial during which there would be justification to keep the circular pending. If the investigation is not completed within one year from today, the petitioner may approach this Court with the same request to quash the Lookout Circular. It is the responsibility of the authorities to prioritize and complete the investigation, as this matter has been pending for quite some time.



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WEB COPY 12. In the meantime, the learned counsel for the petitioner submits that the petitioner's family is in Malaysia, and he must attend his brother's wedding, scheduled for 27.06.2025. Considering that the petitioner was permitted to visit Malaysia under specific conditions on three earlier occasions and returned as directed, I believe that he may also be granted permission on this occasion. As requested, the petitioner is permitted to travel to Malaysia on 17.06.2025 or any time thereafter, returning to India by 10.07.2025. However, his travel will be subject to the following conditions:-

(a) The petitioner is now required to provide a fresh schedule of his travel plan to Malaysia, both to the trial court and the CBI;

(b) The petitioner is granted leave to travel to Malaysia strictly according to the schedule that the petitioner is required to provide as per the condition above.

(c) The petitioner shall reside only at the address specified in his undertaking affidavit (No.2, Jalan Pantai 9/7, 46000 Petaling Jaya, Selangor, Malaysia) and is directed not to change his residence or place of stay without



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prior notice to the CBI;

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(d) The petitioner shall not leave Malaysia during his stay in Malaysia.

(e) The petitioner shall surrender his passport to the Indian High Commission in Malaysia on his arrival there and shall collect it only before his return to India as per the schedule to be provided;

(f) An acknowledgement of surrendering his passport to the Indian High Commission shall be communicated to the CBI forthwith;

(g) The petitioner shall execute a personal bond for Rs. 10.0 lakhs and also produce two sureties for Rs. 10.0 lakhs each before the Additional Chief Metropolitan Magistrate Court, Chennai. Of the two sureties, one must be a relative. The two sureties should file separate affidavits before the Additional Chief Metropolitan Magistrate Court, Chennai, undertaking that the petitioner will return to India on or before the date of return as per the schedule to be provided by the petitioner;



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WEB COPY (h) One of the sureties (either a relative or a business associate of the petitioner) must possess a valid Indian passport and have traveled abroad at least a couple of times. Since it is submitted that relatives will also travel with the petitioner due to the wedding, the surety mentioned above must deposit a copy of the Indian passport with the CBI; and

(i) The Look Out Circular (LOC) issued by the CBI against the petitioner shall be suspended during the period when the petitioner travels to Malaysia in accordance with this order.

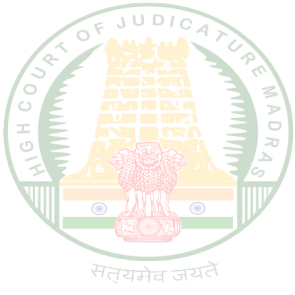
13. With the above directions, the writ petition is disposed of. No costs. Consequently, the connected miscellaneous petition is closed. No costs.

04.06.2025

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Neutral Citation: Yes
nsl

Note: A copy of this order shall be marked to the Joint Director, Bank Fraud and Security Zone, New Delhi, for timely supervision to ensure that the investigation is completed at the earliest.

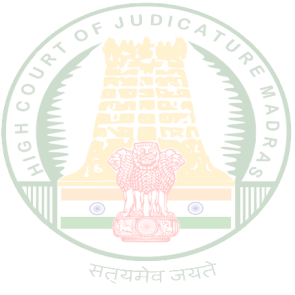


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To

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3. The Assistant Foreigners Regional Registration Officer,
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4. The Assistant Director/SIC.
The Bureau of Immigration,
Ministry of Home Affairs,
New Delhi.
5. The Joint Director,
Bank Fraud and Security Zone,
New Delhi.



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D.BHARATHA CHAKRAVARTHY, J.

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