

**IN THE COURT OF SH. DINESH BHATT
PRINCIPAL DISTRICT & SESSIONS JUDGE-CUM-SPECIAL
JUDGE (PC ACT) CBI ROUSE AVENUE DISTRICT COURTS
NEW DELHI**

CNR No. DLCT11-000974-2024

Vishal Exports Overseas Ltd. & Anr. Vs. CBI

CrI. Revision No.35/2024

23.04.2026

ORDER

1. This is a revision petition filed on behalf of Vishal Export Overseas Ltd. through its Managing Director Pradeep Subhash Chandra Mehta and Pradeep Subhash Chandra Mehta against impugned order dated 29.04.2024 and 03.08.2024 whereby charges against the petitioner/accused have been framed.
2. Petitioner's revision petition has earlier been decided vide order dated 28.01.2025 but the same was challenged before the Hon'ble High Court and vide order dated 11.02.2026, Hon'ble High Court set aside the said order and directed that the revision be heard afresh after hearing both the parties and to dispose off while also answering about the aspects relating to territorial jurisdiction.
3. Petitioner has filed the present revision petition mainly on the grounds that the order passed by the Ld. Trial Court was unjust, unreasonable and not based on correct appreciation of facts and law. Petitioners were a business entity and business dealing by attributing criminality was being given colour of an offence. Petitioner no.2 was merely a director of the company and therefore in any case

could not be held liable for any acts committed by the company. Petitioner company had already deposited the differential amount of the sale price even before lodging of the FIR. There was no wrongful loss or wrongful gain to any person, consequently, there was no victim in the case and therefore, no offence was made out. CBI had initially filed the charge sheet where the company was not an accused and later supplementary charge sheet was filed adding company as an accused but no separate cognizance was taken against the company. CBI had investigated the matter but no offence under Prevention of Corruption Act has been found, thus, CBI was required to file a closure report and could not have filed the charge sheet before the Special Courts at Delhi. The courts at Delhi had no jurisdiction as the entire cause of action is alleged to have arisen in Punjab or at Gujarat.

4. Petitioners have prayed that the order be set aside and relied on the following judgments:-
- (i) Ramesh Boghabhai Bhut Vs. State and another 2020 SCC Online Delhi 1475,
 - (ii) Puneet Chawla Vs. State and another 2013 SCC Online Delhi 813,
 - (iii) Asit Bhattacharjee Vs. Hanuman Prasad Ojha and others (2007) 5 SCC 786,
 - (iv) Y. Abraham Ajith Vs. Inspector of Police (2004) 8 SCC 100,
 - (v) R.K. Jain and others Vs. State (NCT of Delhi) and another CrI.M.C. No. 1681 of 2000,
 - (vi) Malkiat Singh and others Vs. State and others

2005 SCC Online 644,

(vii) Sanjay Dutt and others Vs. State of Haryana and others 2025 SCC Online 32,

(viii) Ravindranatha Bajpe Vs. Mangalore Special Economic Zone Ltd. & Others 2022 (15) SCC 430.

5. Respondent/CBI has filed reply stating that RC 04(A)/2006/CBI-ACU-VII was registered against Vishal Export Overseas Ltd. and others for offence under Section 120-B, 420, 468 & 471 of IPC r/w Section 13 (2) of PC Act and Section 13 (1) (d) of PC Act. After completion of investigation, charge sheet was filed under Section 420 r/w 511 and 471 of IPC in the court of Ld. ACMM, Patiala House, New Delhi on 31.12.2007. Thereafter supplement charge sheet was filed on 18.06.2009 for prosecution of M/s Vishal Exports Overseas Ltd. through its Managing Director Pradeep Subhash Mehta. Ld. Trial Court vide order dated 08.08.2008 and 25.06.2019 had respectively taken cognizance on the charge sheet and supplementary charge sheet. They stated that their investigation revealed that M/s Punjab State Warehousing Corporation was having an arrangement/contract with FCI for export of rice. M/s Vishal Export Overseas Ltd. entered into a contract with M/s Punjab State Warehousing Corporation on 12.03.2003 for export of rice. On the basis of the said contract FCI released 5500 MT rice at subsidized rates to M/s Vishal Export Overseas Ltd. through M/s Punjab State Warehousing Corporation for export. M/s Punjab State Warehousing Corporation (A/c M/s Vishal Export Overseas

Ltd.) vide letter dated 30.04.2004 and 24.06.2004 submitted export documents in the form of invoice, shipping bills, bills of lading, bank realisation certificate etc. for 4223 MT and 1167 MT rice respectively. After verification it was found that the documents in the form of bank realisation certificate and other export documents of 1167 MT rice were forged and had been submitted on behalf of M/s Vishal Export Overseas Ltd. Investigation revealed that petitioner no.2 who was Managing Director of petitioner no.1, had asked his employees to sell the aforesaid 1167 (1170) MT of rice in open market rather than export as per the terms of contract. The company had also submitted forged documents with the FCI in support of their claim that they had exported the entire lot of 5500 MT allotted to them.

6. Parties have been heard and trial court record also perused.
7. Petitioners have argued and assailed the impugned order mainly on the following grounds that:-
 - (i) There was no material on record for framing of charges.
 - (ii) There was no victim and also there was no wrongful loss or wrongful gain caused to anybody.
 - (iii) Petitioner no.2 was merely director of the company and therefore could not have been held vicariously liable for any acts done by the company.
 - (iv) The agreement in question was merely a business agreement but was being given a

colour of criminality which is not permissible under law, and

(v) The courts at Delhi do not have territorial jurisdiction.

8. In regard to the grounds no.(i) to (iv) petitioners have argued that their company had entered into a business contract with M/s Punjab State Warehousing Corporation and for the discrepancy whatever was found they were asked to deposit the differential cost price and they had already deposited the same therefore, there was no offence made out, there was no wrongful loss or wrongful gain caused to anybody and that petitioner no.2 was merely being charged with the offence as he was a director of the company.
9. In the case of **“State of Bihar vs. Ramesh Singh”, AIR 1977 SC 2018**, Hon'ble Supreme Court observed as under:-

It is not obligatory for the Judge at that stage of the trial to consider in any detail and weigh in a sensitive balance whether the facts, if proved, would be incompatible with the innocence of the accused or not. The standard of test and judgment which is to be finally applied before recording a finding regarding the guilt or otherwise of the accused is not exactly to be applied at the stage of deciding the matter under [section 227](#) or [section 228](#) of the Code. At that stage the Court is not to 'see whether there is sufficient ground for conviction of the accused or whether the trial is sure to end in his conviction.

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Strong suspicion against the accused, if the matter remains in the region of suspicion, cannot take the place of proof of his guilt at the conclusion of the trial. But at the initial stage if there is a strong suspicion which leads the Court to think that there is ground for

presuming that the accused has committed an offence then it is not open to the Court to say that there is no sufficient ground for proceeding against the accused.

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If the scales of pan as to the guilt or innocence of the accused are something like even at the conclusion of the, trial, then, on the theory of benefit of doubt the case is to end in his acquittal. But, if, on the other hand, it is so at the initial stage of making an order under [section 227](#) or [section 228](#), then in such a situation ordinarily and generally the order which will have to be made will be one under [section 228](#) and not under [section 227](#).

10. Thus, at the stage of charge, court is not required to minutely evaluate and weigh the facts and evidence but would be justified only to ascertain if there is sufficient evidence and prima facie case raising grave suspicion about the commission of the offence and involvement of the accused.
11. In this regard, the CBI's investigation as mentioned in the charge sheet show that petitioner no.1 company was required to export 5500 MT of rice which were released to them by FCI at subsidized rates but had merely exported 4223 MT of rice and sold 1167 MT of rice in the open market and submitted forged export documents and bank realisation certificate to FCI relating to export of 1167 MT rice. Petitioner no.2 was Managing Director of petitioner no.1 and there is statement of PW Suresh Pandya that on the asking of petitioner no.2 he had contacted certain parties for sale of 1167 MT of rice and had conveyed the same to petitioner no.2. PW Ashok had mentioned that 575 MT of rice was purchased from M/s Vishal Export Overseas Ltd. by Shree Gokul Rice Mills and 75 MT of

rice was purchased by Savan Traders and money was paid through drafts. These allegations supported with documents and witness of submitting forged documents with a view to show that petitioners had exported 1167 MT of rice and petitioner no.2 had arranged for sale of the said rice in the open market would be sufficient at this stage to make out a triable offence against the petitioner.

12. The fact that petitioner had already deposited the differential sale price of the aforesaid rice with FCI is of no consequence as the offence of attempting to cheat and using forged documents as genuine documents for the said purpose had already been completed.
13. Accordingly, there is no merit in the petitioner's aforesaid grounds no. (i) to (iv).
14. In regard to the petitioner's last ground that the courts at Delhi do not have territorial jurisdiction. It is not disputed at this stage that the entire dealing with respect to the contract, lifting or export of 5500 MT of rice were carried out in Punjab. The material was also claimed to be exported from Kandla port Gujarat. However, CBI had investigated the matter and filed the charge sheet in CBI courts at Delhi.
15. Ld. Counsel for accused/petitioners has relied on the judgments :-

Ramesh Boghabhai Bhut Vs. State and another 2020 SCC Online Delhi 1475 stating that in the said case had held that Delhi courts have no jurisdiction as no part of the alleged offence was committed within the local jurisdiction and the FIR in the said case was

quashed for lack of jurisdiction.

Puneet Chawla Vs. State and another 2013 SCC Online Delhi 813 stating that the alleged acts of the case were not committed within the local jurisdiction and the MM concerned was directed to return the report under section 173 Cr.P.C. with directions to present it to the court of competent jurisdiction.

Asit Bhattacharjee Vs. Hanuman Prasad Ojha and others (2007) 5 SCC 786 stating that offence was not committed within the local jurisdiction and investigation was directed to be carried out where the offence was committed.

Y. Abraham Ajith Vs. Inspector of Police (2004) 8 SCC 100 stating that no part of cause of action arose within the jurisdiction of court concerned, section 177 and cause of action was discussed and no part of cause of action arose in Chennai therefore the Magistrate had no jurisdiction to deal with the matter. The proceedings were quashed in the said matter and the complaint was returned to be filed before the appropriate court.

R.K. Jain and others Vs. State (NCT of Delhi) and another CrI.M.C. No. 1681 of 2000 and Malkiat Singh and others Vs. State and others 2005 SCC Online 644 stating what a Magistrate should do on presentation of charge sheet if it does not have jurisdiction, the Magistrate to return the charge sheet to IO who shall have the liberty to present it before

the competent court.

Sanjay Dutt and others Vs. State of Haryana and others 2025 SCC Online 32 stating vicarious liability of director, if no role against the director is attributed, he cannot be held vicariously liable, in the absence of any provision laid down under the statute, a director of a company cannot be held to be vicariously liable for offence committed by the company, and

Ravindranatha Bajpe Vs. Mangalore Special Economic Zone Ltd. & Others 2022 (15) SCC 430 stating that merely because a person is a Managing Director, without any specific role attributed and the role played by him in his capacity, he cannot be arrayed as an accused.

He further stated that since no part of cause of action of the alleged offence in question had arisen in Delhi therefore, the courts at Delhi did not have territorial jurisdiction to try the matter and was required to return the charge sheet to CBI for filing before the appropriate court.

16. Ld. Sr. PP for the CBI has argued that all the aforesaid judgments were distinguishable on the facts and that the trial in the present case was almost at the fag end and was likely to be concluded within a very short period and therefore, in the interest of justice, and considering the provisions of section 508 of BNSS, the matter should not be returned for trial afresh.
17. As per record, the charge sheet in the present case was filed on 31.12.2007. Summoning order dated 08.08.2008 and

11.12.2008 against accused S.N. Mehta was quashed by the Hon'ble High Court of Delhi vide order dated 05.04.2013. Thereafter, supplementary charge sheet was filed and cognizance of offence against M/s Vishal Exports Overseas Ltd. through its Managing Director Pradeep S. Mehta was also taken vide order dated 25.06.2019. Charges against both accused/petitioners were framed. Prosecution had cited 19 witnesses and had already examined 6 witnesses, dropped 4 witnesses and stated that only few material witnesses were remaining and they were likely to conclude the examination of prosecution witnesses within a very short period.

18. The issue of territorial jurisdiction is largely related to forum of convenience and therefore should have been raised by the accused persons at the first instance but had not done so and were raising this issue at a belated stage. The case is shown to be pending for about 19 years and as per the submissions of the Ld. Counsel for the CBI, is likely to be concluded within a short period, thus it would not be in the interest of justice to start the trial afresh at this stage which has taken almost 19 years to reach the present stage. Ld. Sr. PP for the CBI had also given an offer to the accused on 23.03.2026 that he was willing to concede for transfer to any CBI court at Mohali/Chandigarh, Punjab, if accused were ready to face the trial from the stage where it was presently pending before the CBI courts at Delhi. However, accused did not accept the proposition and insisted that it be decided on merits. The petitioner no.2/accused was also claimed to be resident of Gujarat

and therefore, there does not seem to be any prejudice caused to him, if the trial continued at Delhi, rather than at Punjab, as both vis-a-vis petitioners were almost equally situated. These facts therefore suggest that petitioner/accused was mainly interested in delaying the matter rather than agitating a genuine cause. In such circumstances, considering the stage of trial and long pendency and the timing of issue in terms of Section 508 BNSS, the petitioner is not only required to show that the trial was taking place at a wrong place but was also required to show that it has occasioned a failure of justice. Petitioners have however failed to substantiate any fact or circumstances to show any prejudice caused to him or failure of justice. In view of this, as the trial is likely to conclude within a short period, it would not be in the interest of justice to return the charge sheet at such a belated stage.

19. Accordingly, the present revision petition is dismissed.
20. Copy of this order be given to CBI for necessary compliance.

Announced in the open court
on this 23rd day of April, 2026

(Dinesh Bhatt)
Principal District & Sessions Judge-
cum-Special Judge (PC Act) (CBI),
Rouse Avenue District Court
23.04.2026