



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 12TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

CRIMINAL REVISION PETITION NO. 188 OF 2023

BETWEEN:

1. MINERAL ENTERPRISES PRIVATE LIMITED
(PREVIOUSLY KNOWN AS
MINERAL ENTERPRISES LIMITED)
A COMPANY INCORPORATED UNDER THE
COMPANIES ACT 1956
NO.49 KHANIJA BHAVAN, R.C.ROAD
BENGALURU - 560 001
REPRESENTED BY DIRECTOR
HUKUM RAJ JAIN

2. HUKUM RAJ JAIN
S/O OF LATE CHAMPALAL JAIN
AGED ABOUT 76 YEARS
DIRECTOR
M/S MINERAL
NO.49, KHANIJA BHAVAN
WEST WING III FLOOR
R.C ROAD
BENGALURU - 560 001

... PETITIONERS

(BY SRI. ADITYA NARAYAN., ADVOCATE)

Digitally
signed by
VIDYA G R
Location:
HIGH COURT
OF
KARNATAKA



AND:

1. STATE BY SUPERINTENDENT OF POLICE
SPECIAL INVESTIGATION TEAM
KARNATAKA LOKAYUKTA
BANGALORE
REP BY SPP
HIGH COURT OF KARNATAKA
BENGALURU - 560 001

... RESPONDENT

(BY SRI. B.S. PRASAD., ADVOCATE)

THIS CRL.RP IS FILED U/S.397 (1) R/W SECTION 401 OF CR.P.C., PRAYING TO SET ASIDE THE IMPUGNED ORDER DATED 11.01.2023 PASSED BY THE LEARNED LXXXI ADDL. CITY CIVIL AND SESSIONS JUDGE, BANGALORE CITY (CCH-82) IN SPL.C.C.NO.471/2016 (ANNEXURE-A) AND THEREBY DISCHARGE THE PETITIONERS FOR THE OFFENCE P/U/S 379, 420, 471 R/W 120B OF IPC AND SECTION 4(1), 4(1A) R/W SECTION 21 AND 23 OF MMDR ACT, 1957 AND ETC.

THIS PETITION COMING ON FOR ADMISSION THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

ORAL ORDER

The petitioners have sought for setting aside the impugned order dated 11.01.2023 passed by the Special Court whereby application filed seeking discharge of the petitioners for the offences punishable under Sections 379, 420, 471 r/w 120B IPC and Section 4(1) and 4 (1A) r/w 21 and 23 of the MMDR Act, 1957, has been dismissed.



2. The petitioner no.1 which is a company has been arrayed as accused no.1 and petitioner no.2 has been arrayed as accused no.2.

3. The respondent authorities have completed their investigation and filed the charge sheet. Subsequently, the petitioners had filed an application seeking discharge.

4. It is to be noticed that the application filed under Section 227 r/w 239 of Cr.P.C., filed by the petitioner herein i.e., accused nos.1 and 2 was taken up for consideration along with other applications for discharge filed by accused nos.10, 13, 14, 15, 16, 33, 42 and 43 and the court has rejected the applications. It is clarified at the outset that though the common order is passed as against other accused as well, however, the present challenge is against the order of the Special Court only insofar as it concerns accused nos.1 and 2.

5. The case made out by the learned counsel for petitioners is that the trial court ought not to have clubbed those applications along with the other applications as there are certain facts that are particular to accused nos.1 and 2 and ought to have been dealt with separately.



6. Learned counsel for petitioners would submit that the findings of the trial court insofar as conspiracy vis-à-vis petitioners herein requires re-visit. Various other arguments have been raised.

7. Learned counsel for petitioners has filed summary of contentions raised in the discharge application filed by the petitioners and has adverted as to whether such contentions have been addressed in the impugned order. The same is extracted as follows:

**SUMMARY OF CONTENTIONS IN DISCHARGE APPLICATION
FILED BY PETITIONERS**

CONTENTIONS NOT ADDRESSED IN THE IMPUGNED ORDER

SL. NO.	REFERENCE IN PETITIONERS' APPLICATION FOR DISCHARGE (Ann. F. pp. 350-368)
1.	While the charge is that a total quantity of 46,289 MT of iron ore has been transported illegally, without permits, there are several inconsistencies with respect to the quantities of ore mentioned in the chargesheet itself.
2.	An additional quantity of 12,607.86 MT of iron ore has been clubbed into the amount of ore alleged to have been transported by Petitioner No.1 even though it does not form part of the quantity said to have been exported by it. (para 9 @p.354, Vol. II. Crl.RP PB)
3.	Petitioner No.1 is alleged to have transported 31,529 MT of iron ore using concocted documents, though the said documents have been issued by officials of Department of Mines and Geology, Andra Pradesh. (para 10 @p.355, Vol. II, Crl.RP PB)



4.	Quantity of ore alleged to have been transported by Petitioner No.1 under forged permits, i.e., 31, 529 MT includes the quantum forming part of Crime No. 19/2014, i.e., 1809 MT, wherein it is alleged that the said quantity was transported without any permits. Hence, the chargesheet is ex facie contradictory, (para 10 @p.355, Vol. II, Crl. RP PB)
5.	In any event, Petitioner No.I was not engaged in purchasing ore directly from the mining lessees (who are alleged to have extracted the ore without permits/payment of royalties), and was not engaged in transportation of iron ore from the mining lease areas to Belekeri Port. (para 13 @p.356. Vol. II. Crl.RP PB)
6.	Cheating is an essential ingredient for an offence under Section 420 to be made out (as held in Prof. R. K. Vijayasarathy v. Sudha Seetharam (2019) 16 SCC 739) but no such case is made out against the Petitioners. (para 27 @ p.364, Vol. II. Crl.RP PB)
7.	Petitioner No.1's sales have always been legally disclosed and audited and all applicable taxes and statutory payments have been made. (para 28 @p.365, Vol. II Crl.RP PB)
8.	The prosecution has also not established that the permits themselves are forged or are false documents in order to attract Section 471, as mandated in A.S. Krishnan v. State of Kerala and in Mohammed Ibrahim and Others v. State of Bihar (2009) 8 SCC 751. (paras 29 and 30 @ p. 366, Vol. II. Crl.RP PB)
9.	Further, the other vendors from whom the Petitioner has purchased the iron ore from have not been arrayed as accused in the chargesheet. Hence, there is no rationale in alleging that the Petitioners are guilty of offences under Section 4(1) of MMDR when their vendors themselves have not been accused in the chargesheet. (para 16 @p.359, Vol. II. Crl.RP PB)
10.	In fact, with respect to the ore extracted by it from its mining lease, it is expressly stated in the chargesheet that all necessary permits for extraction are available. (para 15 @p.358, Vol. II. Crl.RP PB)



11.	Petitioner No. 1 is a bona fide purchaser of iron ore from various vendors who, in turn, purchased the ore from other vendors. It is not a mining leaseholder within the meaning of Section 4(1) of the MMDR Act, 1957, with respect to the quantity of ore forming subject matter of the present case. (paras 14 and 15, pp.356-357, Vol. II. Crl.RP PB)
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8. Learned counsel for petitioners submits that the contentions referred to at Sl.No.1 to 11 have not been adverted to by the trial court and no findings are recorded.

9. It is submitted that the contentions raised if are dealt with, petitioners are hopeful that there would be findings in their favour and would exculpate the petitioners. The petitioners have also filed I.A.-2/2023 on 30.08.2023 raising additional grounds.

10. Learned counsel for petitioner submits that some of these contentions raised had not been adverted to in the discharge application.

11. Perused the order passed by the learned Special Judge.

12. While the learned counsel Sri.B.S.Prasad would strenuously contend that if the court were to make any



observation regarding validity of the order which is a common order, the same would have the impact insofar as the order passed against the other accused. It is submitted that the court may bear in mind the order now passed must not lead to fresh round of litigation by the other accused some of whom have not challenged this order.

13. Insofar as the contention of learned counsel Sri.Aditya Narayan appearing for the petitioners regarding the trial court not having recorded a finding regarding some of the contentions raised as extracted above, prima-facie such contention requires acceptance. Further, the learned counsel for petitioners has raised additional grounds as well.

14. Taking note that the order is a common order vis-à-vis other accused, it may not be appropriate to pass any observation that has the effect of other accused, who till date have not challenged this order on 11.01.2023, to mount another round of litigation.

15. Accordingly, without recording any finding, taking note of the aspect of additional grounds raised as well as contention of the petitioners that contentions raised in the



application for discharge have not been adverted to and not been recorded, it would be appropriate to set aside the dismissal of order of discharge and insofar as accused nos.1 and 2 is concerned and remit the matter for fresh consideration by the Special Judge.

16. The petitioners are at liberty to make out additional grounds on same lines as raised in I.A.-2/2023 herein. The Special Court may consider passing of orders on application for discharge within a reasonable time.

17. Needless to state, it is made clear that upon remand, the petitioners not to take unnecessary adjournments and cooperate with the disposal of the application for discharge. All other contentions are kept open.

18. In the peculiar facts of the case, we have noticed that some of the contentions raised by the petitioner may require separate adjudication and accordingly, the court interferes with the order of the Special Judge only insofar as petitioners are concerned.



19. Accordingly, the petition is disposed of. All contentions on merits are however kept open.

Sd/-
(S SUNIL DUTT YADAV)
JUDGE

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