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IN THE HIGH COURT OF DELHI AT NEW DELHI

Decided on: September 04, 2018

\+ CRL.M.C. 1898/2016

VINOD MAHAJAN ..... Petitioner

Through: Mr. Priyank Sharma and Mr. Pankaj Mani, Advocates

versus

SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) & ORS ..... Respondents

Through: None

CORAM:
HON'BLE MR. JUSTICE R.K.GAUBA

O R D E R (ORAL)

1. The petitioner is facing trial in the court of the Additional Sessions Judge in criminal case (CC no.10/14) on the complaint of the first respondent on allegations of offences punishable under Section 24(1) and Section 27 of Securities and Exchange Board of India Act, 1992 (in short, "SEBI Act") on account of he alongwith certain others having indulged in certain acts of commission or omission in violation of Section 11 B of SEBI Act and regulation nos.5(1) r/w 68(1), 68(2), 73 and 74 of SEBI (Collective Investment Scheme) Regulations, 1999. He is described as one of the directors of M/s. Golden Land Development India Ltd., a company in liquidation, it also being

one of the accused before the trial court.

2. The trial had commenced with notice under Section 251 of the Code of Criminal Procedure, 1973 (Cr.PC) having been issued and served in terms of order dated 1.08.2012. It is conceded that the evidence has already been adduced and the case is at the stage of hearing of arguments for final adjudication.

3. At the above-said concluding stage, the petitioner had moved application seeking discharge, *inter alia*, on the grounds that the court of the Additional Sessions Judge in Delhi does not have the territorial jurisdiction, the company accused in which the petitioner was a director being located in Chandigarh, all the acts of commission or omission leading to the prosecution also having occurred there. The petitioner also contended before the Additional Sessions Judge by the said application that no case was made out showing his complicity. The prayer was declined by the Additional Sessions Judge by order dated 23.01.2016.

4. By the petition at hand invoking the inherent jurisdiction of this court under Section 482 Cr. PC, challenge is brought to the said ruling by order dated 23.01.2016 of the trial court, the prayer being for the proceedings against the petitioner to be quashed.

5. Having heard the submissions of both sides and having gone through the record, this court finds no merit in the petition at hand. The reasons may be set out hereinafter.

6. The trial court has rightly referred to a previous ruling of

this court in *Brijeshwar Jaiswal vs. SEBI, 189 (2012) Delhi Law Times, 766* wherein similar contentions qua the jurisdiction were repelled. Suffice it to note here, as also pointed out by the trial court in the impugned order, the Securities Exchange Board of India (SEBI) has its regional office in Delhi and the correspondence leading to the prosecution through the above mentioned complaint was exchanged by the said office with the company accused and its directors that include the petitioner. The prime fact which needs to be noted in this regard is that under the regulations, the company was required to get itself registered with SEBI at its regional office in Delhi, the failure to comply with the said requirement being one of the grounds leading to the prosecution.

7. As noted above, the case has reached the stage of final adjudication. At such stage, it will not be proper, particularly when issues of fact have been raised, for this court to return findings on questions of complicity in the jurisdiction under Section 482 Cr. PC. [see: *Rajiv Thapar and Ors. vs. Madan Lal Kapoor, (2013) 3 SCC 330*].

8. The petition is dismissed.

R.K.GAUBA, J

SEPTEMBER 04, 2018

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