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

\+ CRL.M.C. 640/2017, CRL.M.A. 2741/2017, CRL.M.A. 5622/2017

VIJAY KUMAR GUPTA

.....Petitioner

Through: Mr. J.C. Mahindro, Mr. Anam Sabir and Mr. Abhishek, Advocates.

versus

CENTRAL BUREAU OF INVESTIGATION & ANR.

.....Respondent

Through: Mr. Ripudaman Bhardwaj SPP CBI with Mr. Kushagra Kumar, Mr. Abhinav Bhardwaj, Mr. Amit Kumar Rana and Mr. Himanshu Kaushik, Advocates.

CORAM:
HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

ORDER

% **14.05.2025**

1. A Petition under Section 482 Cr.P.C has been filed on behalf of the Petitioner Vijay Kumar Gupta for quashing of the directions given by the learned Sessions Judge, CBI for recovery of fine from the Petitioner.

2. It is submitted that Respondent No.1/CBI had filed a Complaint dated 30.05.1997 on the basis of a Complaint received from Shri S.S. Mehra, Chief Vigilance Officer, Oriental Bank of Commerce, New Delhi. After conclusion of investigations, Chargesheet was filed for offence punishable under Section 120B IPC read with Section 420/467/468/471 IPC and 13(2) read with 13(1)(d) of Prevention of Corruption Act against (1) Shri S.S.

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Wadhwa, (2) Shri Ghanshyam Dass Bhuttan, (3) Shri Anil Aggarwal and (4) Shri Vijay Gupta who were Directors of (5) M/s Iyer & Sons Pvt. Ltd. and (6) M/s Anil Steels Pvt. Ltd. and Shri Anil Aggarwal and Smt. Shashi Gupta who were the partners of firm (7) M/s Haryana Gears.

3. The charges were framed and eventually vide Judgment dated 10.02.2016, the two Companies Accused No.5 M/s Iyer & Sons Pvt. Ltd. and Accused No.6 M/s Anil Steels Pvt. Ltd. *were directed to pay a fine of Rs.1 lakh each for the offences punishable under Section 120B read with Section 420 IPC and 13(2) read with 13(1)(d) of Prevention of Corruption Act*. It was further directed that the fine shall be recoverable under Section 421 Cr.P.C.

4. It is submitted in the Petition that Petitioner Shri Vijay Gupta of M/s Iyer & Sons Pvt. Ltd. has gone into Liquidation, and all the assets of the Company have been taken over by the Official Liquidator pursuant to the Order of this Court in C.P No.13/1999.

5. The Petitioner Shri Vijay Gupta has been acquitted by the learned Trial Court and the other Director, Shri Anil Aggarwal has been declared as Proclaimed Offender. It is submitted that in lieu of recovery of fine being made from the Petitioner, Appeal was preferred by the Petitioner Vijay Kumar Gupta against the Judgment dated 10.02.2016 and 25.02.2016.

6. However, the Criminal Appeal No.318/2016 has been rejected on the premise that the Petitioner is not the Authorized Representative of the Company, as there is no Resolution of the Company in his favour. In the aforesaid circumstances, the Petitioner cannot be held liable for recovery of fine. However, the learned Trial Court had issued a Show Cause Notice to the Petitioner for payment of fine.

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7. The Petitioner filed an Application before the learned Trial Court, pursuant to which the Official Liquidator had appeared in the Court and stated that the Companies stood wound up and there are no assets available. The Petitioner has had already filed Statement of Affairs in the form of Affidavit and the copy of the Order of this Court dated 09.09.2025 reflects that the compliance has been made by the Complainant.

8. The Company possessed an Office at 20, Connaught Circus, New Delhi, which was equipped with various articles like Computers etc, which had come into the custody of the Official Liquidator, who even surrendered the possession of the premises to the landlord without the consent of the Petitioner. There is no Order to show as to how the assets of M/s Iyer & Sons have been disposed of and in any case the liabilities and assets of the Company have to be met by the Official Liquidator for which the Petitioner cannot be held liable.

9. It is, therefore, submitted that the directions issued against the Petitioner by learned Special Judge, CBI seeking recovery of fine from him, be set aside.

10. Learned counsel on behalf of the Respondent submits that there is no infirmity in the Show Cause Notice issued by the learned Trial Court since the fine is to be recovered and the Petitioner was the ex-Director and is liable for the outstanding liabilities of the Company.

11. **Submissions heard and record perused**.

12. The Petitioner was an ex-Director of M/s Iyer & Sons and has been acquitted vide impugned Judgment dated 10.02.2016. The fine had been directed to be paid in the sum of Rs.1 lakh each by the two Companies namely M/s Iyer & Sons Pvt. Ltd. and M/s Anil Steels Pvt. Ltd. It is not in

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dispute that the Company Petition for winding up of M/s Iyer & Sons Pvt. Ltd. was filed way back in 1999 and all the assets of the Company were submitted to the Official Liquidator. According to the submissions made in the Petition, the Company already stands wound up and all the assets have been disposed of. Once, the fine was liable to be paid by the Company and it has gone in liquidation and all the assets stands disposed of, there is nothing which survives from where the fine can be recovered from the Company.

13. Insofar as the Petitioner is concerned, he was the ex-Director and has been acquitted. Moreover, there is not a whisper about any asset of the Company being in the hands of the Petitioner. Therefore, a Show Cause Notice and the recovery intended to be made from the Petitioner, is against the law and such directions by the learned Special Judge, CBI are hereby quashed.

14. Learned counsel for the Petitioner submits that the Petitioner has already paid Rs.50,000/- pursuant to the directions of the Court, which amount is to be refunded to him.

15. In the light of the aforesaid discussion, the Petitioner is at liberty to move an Application before the learned Special Judge, CBI to seek the recovery.

16. The Petition is allowed and stands disposed of accordingly along with the pending Applications.

NEENA BANSAL KRISHNA, J

MAY 14, 2025/va

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