



2025:DHC:4211



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% *Judgment delivered on: 22.05.2025*+ **CRL.M.C. 2369/2022**

NITIN SAXENA & ORS.

.....Petitioner

Through: Ms. Bhabna Das and Mr.
Vishnukanth Mundata,
Advocates

versus

CHETNA GUPTA

.....Respondent

Through: Mr. Shekhar Gupta, Mr.
Mehendra Pratap and Mr.
Shashank Upadhyay,
Advocates

CORAM:**HON'BLE DR. JUSTICE SWARANA KANTA SHARMA****JUDGMENT****DR. SWARANA KANTA SHARMA, J**

1. By way of the present petition, the petitioners seek setting aside of the summoning order dated 02.09.2020, passed by the learned Metropolitan Magistrate, NI Act-02, South East District, Saket Courts, Delhi [hereafter '*Magistrate*'], as well as the entire proceedings arising out of Complaint Case No. 2366/2020, titled '*Chetna Gupta v. Karvy Realty (India) Ltd. & Ors*'.

2. Brief facts of the case, as per complaint filed by the respondent, are that on 30.09.2019, the respondent had advanced a short-term interest-bearing deposit of Rs. 40,00,000/- to Karvy Realty



(India) Limited [hereafter ‘*accused company*’ or ‘*accused no. 1*’] by way of a cheque bearing no. 000162, drawn on Standard Chartered Bank. The said deposit was to be returned after a period of three months. In discharge of its liability, the accused company had issued a cheque no. 002894 dated 05.01.2020, drawn on HDFC Bank, in favour of the respondent for an amount of Rs.40,00,000/-. It is the case of the respondent that upon presentation, the said cheque had got dishonoured due to “insufficient funds” on 09.01.2020. Consequently, on 22.01.2020, the respondent had issued a statutory legal notice under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 [hereafter ‘*NI Act*’] to the accused persons, calling upon them to pay the amount of Rs.40,00,000/-; however, no reply was received by the respondent. However, one Mr. C. Parthasarathy, Group Chairman of accused company had responded to the email sent by the respondent and informed her that the company could not initiate immediate repayment of the amount since the membership of the accused company, of the National Stock Exchange, had been temporarily suspended. Thereafter, on 06.03.2020, the respondent had instituted a complaint under Section 138 read with Section 141 to 143 of the NI Act before the learned Magistrate, against the accused company and its directors i.e. the petitioners herein (accused no. 2 to 4 in the complaint).

3. Pursuant to perusal of the complaint and supporting documents, the learned Magistrate had passed the impugned summoning order dated 02.09.2020, thereby summoning the accused



persons. The said order is set out below:

“...1. Pre-summoning evidence under Section 200 CrPC by way of affidavit {as per Section 145(1) of Negotiable Instruments Act, 1881} has been tendered. Arguments have been heard on the point of summoning of the accused.

2. I have gone through the entire record including the complaint and the documents. It is alleged that the accused company had business dealings with the complainant. Ld. counsel for the complainant has argued that accused company has issued the cheque in question bearing no. 002894 dated 05.01.2020 of amount Rs. 40, 00,000/- to the complainant in discharge of its part liability. On its presentation, the same was dishonoured on 09.01.2020. Therefore, demand notice dated 22.01.2020 was sent to the accused by the complainant. Despite service/ deemed service of said notice, accused has failed to make the payment as per provisions of Negotiable Instruments Act. Hence, the present complaint has been filed against a total of 4 accused persons.

3. After going through the complaint, the specific averments in the complaint against the accused persons, documents attached with it and testimony of the complainant, I am of the view that prima facie offence under Section 138, Negotiable Instruments Act, 1881 is made out against accused persons.

4. Accused no. 1 is the company and is prima facie responsible. Accused no. 2 is the Whole-Time Director and is prima facie liable, being the Key Managerial Personnel (as per Section 2(51) of the Companies Act, 2013) of the accused company. Accused no. 3 is stated to be the CFO. Accused no. 4 is stated to be the Director and actively participating in the affairs of the company. The company master data and Form DIR 12 perused. In terms of inquiry conducted under Section 202 CrPC, all the statutory requirements have been complied with. The complaint is filed within the period of limitation. I am satisfied that there are sufficient grounds for proceeding further.

5. Let all accused be summoned on filing of PF after reopening of Court, RC/ Speed Post/ approved Courier service/ E-mail within 15 days for ANNEXURE P-2 50 19.12.2020. Complainant is directed to place the tracking report of summons sent through speed post on record on NDOH. In the event the house/office/premises is found to be locked/refusal to accept the service/any other contingency the process be served



through affixation in terms of Section 65, CrPC.

6. As per the guidelines laid down as in the case titled as Damodar S. Prabhu Vs. Sayed Babalal H, AIR 2010 (SC) 1907, Ahlmad is directed to make a mention on the summons issued against the accused (by adding separate sheet, if required) that “accused can make an application for compounding of the offence at the first and second hearing of the case and if such an application is made, compounding may be allowed by the Court without imposing any costs on the accused.”

7. Matter be taken up now on 19.12.2020...”

4. The learned counsel appearing for the petitioners submits that the summoning order dated 02.09.2020 passed by the learned Magistrate is liable to be quashed for being mechanically passed without application of judicial mind. It is contended that the petitioners, arrayed as accused nos. 2 to 4, have been wrongly summoned despite not being signatories to the cheque in question and without there being any specific or substantive allegations in the complaint that they were in charge of or responsible for the conduct of business of the accused company. It is argued that petitioner no. 1 was appointed as a Director solely by virtue of being an employee of Karvy Stock Broking Limited, the parent company of the accused company, and he had no role in the day-to-day management or business affairs of the accused company. The learned counsel also submits that petitioner no. 1 had resigned from the post of Director on 21.06.2021, as evident from the DIR-12 form filed with the Registrar of Companies, and therefore cannot be held liable for a cheque allegedly issued prior thereto. It is stated that petitioner no. 2



is not even a Director of the accused company, yet has been falsely shown as one in the complaint. Further, the petitioner no. 3, though formally appointed as a Director, was merely an employee with no operational control, and neither petitioner no. 1 nor petitioner no. 3 received any remuneration for their role as Directors. It is further contended that the petitioners had not even been paid their regular salaries in recent months, further evidencing their lack of control or responsibility in the functioning of the accused company. The learned counsel further submits that the complaint is entirely silent on any role played by the petitioners in the issuance of the cheque or the underlying transaction, and merely names them as accused persons without fulfilling the mandatory requirement of specific, clear, and unambiguous averments as to how each petitioner was responsible for the conduct of the accused company's business. The mere reproduction of the language of Section 141 of the NI Act or making bald and vague allegations is not sufficient to attract vicarious liability under Section 138 read with Section 141 of the Act. In this regard, reliance is placed on judicial precedents of the Hon'ble Supreme Court and this Court by the learned counsel for the petitioners, to argue that in the absence of specific allegations demonstrating the role and responsibility of a Director or officer in the alleged offence, the summoning of such persons is impermissible and liable to be quashed. In view of the above, it is prayed that the impugned summoning order be set aside.

5. *Conversely*, the learned counsel for the respondent/



complainant submits that the present petition is a deliberate attempt to delay the trial and evade accountability, and that no illegality or infirmity can be found in the impugned summoning order dated 02.09.2020. It is argued that the petitioners have been rightly summoned by the learned Magistrate after due consideration of the material on record, including the complaint and documents filed therewith. It is contended that petitioner no. 1 was appointed as Director of the accused company on 31.08.2006 and held the said position for over 15 years. The master data of the company filed by the petitioners themselves reflects this fact. At the time of issuance and dishonour of the subject cheque on 08.01.2020, petitioner no. 1 was admittedly serving as Director and was actively attending board meetings. The contention that he resigned subsequently on 21.06.2021 has no bearing on his liability under the NI Act, as the alleged offence had already taken place prior to his resignation. Moreover, the resignation and its acceptance have not been duly substantiated on record. With respect to petitioner no. 2, it is submitted that he has been reflected as a Director in the master data of the company since 20.04.2019 and was also functioning as the Chief Financial Officer (CFO). In terms of Section 2(51) of the Companies Act, 2013, the CFO is a key managerial personnel who is presumed to be in charge of and responsible for the conduct of business of the company. Therefore, a *prima facie* presumption of his active role arises which can be tested during trial. As regards petitioner no. 3, it is argued that he was a Whole-Time Director of the



company and was actively involved in its operations. In fact, he himself filed a board resolution in his favour before the learned Magistrate, which is recorded in the order dated 21.05.2022. This indicates his participation in the management and affairs of the accused company. It is further submitted that a legal notice dated 22.01.2020 was duly served upon the petitioners before the filing of the complaint, to which no reply was furnished. The learned Magistrate, after applying judicial mind and examining the material, recorded specific findings regarding the position and role of each petitioner and proceeded to issue summons under Section 138 read with Section 141 of the NI Act. It is contended that the specific roles and responsibilities of the petitioners are matters of evidence, which can only be adjudicated upon in the course of trial. Further, the complaint cannot be rendered infructuous by seeking to exclude all the officers of the accused company, thereby leaving only the company without any individuals to face trial. Accordingly, it is prayed that the petition be dismissed.

6. This Court has **heard** arguments addressed on behalf of both the parties and has perused the material placed on record, including the written submissions filed by the parties.

7. Before appreciating the rival contentions raised by the parties, it shall be first apposite to take note of relevant judicial precedents. It is now well-settled that Section 141 of NI Act does not make all the Directors of a company liable for the offence, and the criminal



liability can be fastened only on those who, at the time of the commission of the offence, were in charge of and were responsible for the conduct of the business of the company; and the complainant is required to make specific averments in the complaint in this regard. This requirement of making specific averments, however, may not be necessary in respect of a Managing/Joint Managing Director of the accused company or in respect of the Signatory to the cheque in question [Ref: **S.M.S. Pharmaceuticals Ltd. v. Neeta Bhalla: (2005) 8 SCC 89; National Small Industries Corp. Ltd. v. Harmeet Singh Paintal: (2010) 3 SCC 330**].

8. At the same time, the Hon'ble Supreme Court in the case of **K.K. Ahuja v. V.K. Vohra: (2009) 10 SCC 48**, while summarising the law of Section 141 of NI Act, also held that as far as a director (not being the Managing/Joint Managing Director or the signatory of cheque) of an accused company is concerned, an averment in the complaint that he was in charge of and was responsible to the company for the conduct of the business of the company was enough – and no further averment was necessary – though some particulars would be desirable. The relevant observations are as under:

“20. The position under section 141 of the Act can be summarized thus :

(i) If the accused is the Managing Director or a Joint Managing Director, it is not necessary to make an averment in the complaint that he is in charge of, and is responsible to the company, for the conduct of the business of the company. It is sufficient if an averment is made that the accused was the Managing Director or Joint Managing Director at the relevant time. This is because the prefix ‘Managing’ to the word



‘Director’ makes it clear that they were in charge of and are responsible to the company, for the conduct of the business of the company.

(ii) In the case of a director or an officer of the company who signed the cheque on behalf of the company, there is no need to make a specific averment that he was in charge of and was responsible to the company, for the conduct of the business of the company or make any specific allegation about consent, connivance or negligence. The very fact that the dishonoured cheque was signed by him on behalf of the company, would give rise to responsibility under sub-section (2) of Section 141.

(iii) In the case of a Director, Secretary or Manager (as defined in Sec. 2(24) of the Companies Act) or a person referred to in clauses (e) and (f) of section 5 of Companies Act, an averment in the complaint that he was in charge of, and was responsible to the company, for the conduct of the business of the company is necessary to bring the case under section 141(1). No further averment would be necessary in the complaint, though some particulars will be desirable. They can also be made liable under section 141(2) by making necessary averments relating to consent and connivance or negligence, in the complaint, to bring the matter under that sub-section.

(iv) Other Officers of a company can not be made liable under sub-section (1) of section 141. Other officers of a company can be made liable only under sub-section (2) of Section 141, be averring in the complaint their position and duties in the company and their role in regard to the issue and dishonour of the cheque, disclosing consent, connivance or negligence...”

(Emphasis added)

9. Now, as far as the language to be used, while making the specific averments is concerned, the Hon’ble Supreme Court in case of *A.K. Singhania v. Gujarat State Fertilizer Company Limited & Anr.*: (2013) 16 SCC 630 observed that from a reading of Section 141 of NI Act, it was clear that every person, who at the time the offence was committed, was in charge of and responsible to the



company shall be deemed to be guilty of the offence under Section 138 of the Act. However, insofar as the issue regarding specifically mentioning that accused person was – in charge of and responsible for the conduct of the business of the company – is concerned, it was held that it may not be necessary to reproduce the words of the section, and rather, if reading of the complaint shows and the substance of accusation discloses necessary averments, the same would be sufficient to proceed against such a Director. It was further held that it may not be necessary to allege that such a Director had any specific role in respect of the transaction leading to issuance of cheque in question. The relevant observations of the Hon'ble Supreme Court are as under:

“14. From a plain reading of the aforesaid provision it is evident that every person who at the time the offence was committed was in charge of and responsible to the company shall be deemed to be guilty of the offence under Section 138 of the Act. In the face of it, will it be necessary to specifically state in the complaint that the person accused was in charge of and responsible for the conduct of the business of the company? **In our opinion, in the case of offence by the company, to bring its Directors within the mischief of Section 138 of the Act, it shall be necessary to allege that they were in charge of and responsible to the conduct of the business of the company. It is a necessary ingredient which would be sufficient to proceed against such Directors. However, we may add that as no particular form is prescribed, it may not be necessary to reproduce the words of the section. If reading of the complaint shows and the substance of accusation discloses necessary averments, that would be sufficient to proceed against such of the Directors and no particular form is necessary. However, it may not be necessary to allege and prove that, in fact, such of the Directors have any specific role in respect of the transaction leading to issuance of cheque. Section 141 of the Act makes**



the Directors in charge of and responsible to the company “for the conduct of the business of the company” within the mischief of Section 138 of the Act and not particular business for which the cheque was issued. We cannot read more than what has been mandated in Section 141 of the Act.”

(Emphasis added)

10. At this juncture, it is also pertinent to also take note of the decision of Hon’ble Supreme Court in case of ***S.P. Mani and Mohan Dairy v. Dr. Snehalatha Elangovan***: (2023) 10 SCC 685. The relevant observations are extracted hereunder:

“42. Thus, the legal principles discernible from the aforesaid decision of this Court may be summarised as under:-

42.1. Vicarious liability can be fastened on those who are in-charge of and responsible to the company or firm for the conduct of its business. For the purpose of Section 141, the firm comes within the ambit of a company;

42.2. **It is not necessary to reproduce the language of Section 141 verbatim in the complaint since the complaint is required to be read as a whole;**

42.3. **If the substance of the allegations made in the complaint fulfil the requirements of Section 141, the complaint has to proceed in regards the law.**

42.4. **In construing a complaint a hyper-technical approach should not be adopted so as to quash the same.**

42.5. The laudable object of preventing bouncing of cheques and sustaining the credibility of commercial transactions resulting in the enactment of Sections 138 and 141 respectively should be kept in mind by the Court concerned.

42.7. **The power of quashing should be exercised very sparingly** and where, read as a whole, the factual foundation for the offence has been laid in the complaint, it should not be quashed.

54. We may also examine this appeal from a different angle. It is not in dispute, as noted above, that no reply was given by the



respondent to the statutory notice served upon her by the appellant. **In the proceedings of the present type, it is essential for the person to whom statutory notice is issued under Section 138 of the NI Act to give an appropriate reply. The person concerned is expected to clarify his or her stance. If the person concerned has some unimpeachable and incontrovertible material to establish that he or she has no role to play in the affairs of the company/firm, then such material should be highlighted in the reply to the notice as a foundation. If any such foundation is laid, the picture would be more clear before the eyes of the complainant.** The complainant would come to know as to why the person to whom he has issued notice says that he is not responsible for the dishonour of the cheque. Had the respondent herein given appropriate reply highlighting whatever she has sought to highlight before us then probably the complainant would have undertaken further enquiry and would have tried to find out what was the legal status of the firm on the date of the commission of the offence and what was the status of the respondent in the firm. The object of notice before the filing of the complaint is not just to give a chance to the drawer of the cheque to rectify his omission to make his stance clear so far as his liability under Section 138 of the NI Act is concerned.

58. Our final conclusions may be summarised as under:-

58.1. The primary responsibility of the complainant is to make specific averments in the complaint so as to make the accused vicariously liable. **For fastening the criminal liability, there is no legal requirement for the complainant to show that the accused partner of the firm was aware about each and every transaction.** On the other hand, the first proviso to sub-section (1) of Section 141 of the Act clearly lays down that if the accused is able to prove to the satisfaction of the Court that the offence was committed without his/her knowledge or he/she had exercised due diligence to prevent the commission of such offence, he/she will not be liable of punishment.

58.2. **The complainant is supposed to know only generally as to who were in charge of the affairs of the company or firm, as the case may be. The other administrative matters would be within the special knowledge of the company or the firm and those who are in charge of it. In such circumstances, the complainant is expected to allege that the persons named in the complaint are in charge of the**



affairs of the company/firm. It is only the Directors of the company or the partners of the firm, as the case may be, who have the special knowledge about the role they had played in the company or the partners in a firm to show before the court that at the relevant point of time they were not in charge of the affairs of the company. Advertence to Sections 138 and Section 141 respectively of the NI Act shows that on the other elements of an offence under Section 138 being satisfied, the burden is on the Board of Directors or the officers in charge of the affairs of the company/partners of a firm to show that they were not liable to be convicted. The existence of any special circumstance that makes them not liable is something that is peculiarly within their knowledge and it is for them to establish at the trial to show that at the relevant time they were not in charge of the affairs of the company or the firm.

58.3. Needless to say, the final judgement and order would depend on the evidence adduced. Criminal liability is attracted only on those, who at the time of commission of the offence, were in charge of and were responsible for the conduct of the business of the firm. But vicarious criminal liability can be inferred against the partners of a firm when it is specifically averred in the complaint about the status of the partners 'qua' the firm. This would make them liable to face the prosecution but it does not lead to automatic conviction. Hence, they are not adversely prejudiced if they are eventually found to be not guilty, as a necessary consequence thereof would be acquittal.

58.4. If any Director wants the process to be quashed by filing a petition under Section 482 of the Code on the ground that only a bald averment is made in the complaint and that he/she is really not concerned with the issuance of the cheque, he/she must in order to persuade the High Court to quash the process either furnish some sterling incontrovertible material or acceptable circumstances to substantiate his/her contention. He/she must make out a case that making him/her stand the trial would be an abuse of process of Court."

(Emphasis added)

11. In the present case, this Court notes that on 11.03.2020, the learned Magistrate had directed the complainant to file Form 32 in



respect of the accused company, relevant to the date of issuance of the cheque in question, as well as showing the current status of accused persons other than the company. In compliance with the said direction, the complainant had filed Form No. DIR-12 and Form No. MGT-7 before the learned Magistrate. A perusal of the summoning order reveals that the learned Magistrate has specifically noted in the order *qua* accused no. 2 / petitioner no. 3 that he is the Whole-Time Director of the accused company and is *prima facie* liable, being the key managerial personnel of the company as per Section 2(51) of the Companies Act, 2013. Accused no. 3 / petitioner no. 2 is stated to be the CFO. Accused no. 4 / petitioner no. 1 is stated to be the Director of the company and actively participating in the affairs of the company. The learned Magistrate also observed that the company master data and Form DIR-12 had been perused.

12. This Court has also perused the records of the case as well as the documents filed on record by the parties. The same reveals that the complainant, on the directions passed by the learned Magistrate, had placed on record the Form DIR-12 and Form MGT-7 of the accused no. 1/company. Form DIR-12 clearly reveals the designation of the accused no. 2 / petitioner no. 3, Venkata Sesha Ravi Prasad Chavali, as the Whole-time Director (and Executive Director), his date of appointment being 20.04.2019. It further reveals accused no. 3 / petitioner no. 2, Ponugoti Janardhan, as the Chief Financial Officer (CFO), his date of appointment also being 20.04.2019. Further, accused no. 4 / petitioner no. 1, Nitin Saxena, is shown as



Director in the relevant documents filed by the complainant. The Form MGT-7, being the annual return of the financial year 2018-19, corroborates the fact that petitioner no. 1 Nitin Saxena held the position of Director of the accused company. Moreover, the said Form MGT-7 was signed by the accused no. 2 / petitioner no. 3, who had been authorised to sign the said form *vide* Board Resolution dated 16.08.2019. The company master data filed by the complainant, alongwith the complaint, also reflected all the three petitioners as ‘Directors/Signatory’ of the company.

13. Insofar as specific argument of petitioner no. 1, that he had resigned from the company with effect from 21.06.2021 is concerned, the same can be of no help to him since the cheque in question was issued on 05.01.2020, and dishonored on 09.01.2020 i.e. at the time when petitioner no. 1 was, concededly, the Director of the accused company. As far as his second contention, that petitioner no. 1 is Non-Executive Director, is concerned, this Court notes that as per company master data, petitioner no. 1 had been appointed as a Director of the company as back as in the year 2006 i.e. on 31.08.2006, and he continued to remain on its Board for about 15 years. The record also reveals that in the Financial year 2018-19, he had participated in the Board meetings on seven occasions. The petitioner no. 1 has also not placed on record any sterling incontrovertible material that would show that he is only the Non-Executive Director of the accused company, and the same is also not reflected in any of the Form DIR-12 or Form MGT-7. In these



circumstances, his role in the accused company is a matter of trial and cannot be adjudicated at this stage.

14. As far as petitioner no. 2 is concerned, it has been specifically argued that he is not a Director of the accused company, but the CFO and he has no role to play in the commission of offence. In this regard, it is to be noted that Section 141(1) of NI Act includes within its ambit – every person – who was incharge of and responsible for the conduct of the company at the relevant time. Further, Section 141(2) of NI Act also includes within its ambit – any director, manager, secretary or other officer of the company – if it can be shown that the offence was committed with the consent or connivance of, or is attributable to, any neglect on the part of such person. Moreover, as per Section 2(51) of the Companies Act, the definition of key managerial person includes the Chief Financial Officer. The petitioner no. 2 being the CFO is undisputedly a key managerial person. Thus, there is no infirmity in issuing summons to him.

15. The petitioner no. 3, as noted above, has been mentioned as the Whole-time Director (and Executive Director) in the Form DIR-12 of the accused company. A whole-time director is also a key managerial person as per Section 2(51) of the Companies Act.

16. It is also material to note that all the three petitioners herein held their respective positions at all the relevant time – i.e. when the transaction was entered into between the complainant and the



accused company, when the cheque in question was issued, when the said cheque was dishonored, when the statutory legal notice was issued and when the complaint was filed.

17. It is also relevant to note that when the statutory legal notice was served upon the accused persons, a copy of the same was also sent to the one Mr. C. Parthasarathy, Chairman of the accused company, who had replied by way of email dated 14.02.2020, thereby admitting the liability and acknowledging their failure to refund the amount of Rs.40 lakhs. However, the petitioners herein chose not to give any reply to the legal notice sent by the respondent herein.

18. In the above background, it shall be appropriate to now take note of the averments in the complaint filed by the respondent/complainant, which are as under:

“2. That accused No. 1 is a company incorporated under the Companies Act, 1956 having its registered office at the addresses mentioned in the memo of parties and running its business activities and corporate affairs through accused no. 2 to 4 who are the directors) of the accused no.1 company. The accused no. 2 to 4 are in complete control of the management and affairs of the accused no. 1 company and also fully involved in the day to day affairs of the accused no. 1 company. As such the accused no. 2 to 4 are actively participating in the affairs of the company and they are key personal in conducting the affairs of the accused no. 1 company and also in decision making of the accused no.1 company. The accused no 2 to 4 are fully responsible for all the deeds, acts and omission done by accused no.1 company and as such they are liable for all the deeds, acts and omission, etc done by accused no. 1 company and also aware about the complete and entire facts of the present case and thus having become liable to be prosecuted under the provisions of law as above. The names of the accused no. 2 to 4 are duly mentioned as directors in the



master data of the accused no. 1 company. The printout of the master data of the accused no. 1 company taken from the website of MCA is filed with a separate list of documents.

12. The accused no. 2 to 4 are in complete control of the management and affairs of the accused no.1 company and also fully involved in the day to day affairs of the accused no. 1 company. As such the accused no. 2 to 4 are actively participating in the affairs of the accused no. 1 company and they are key personal in conducting the affairs of the accused no. 1 company and also in decision making of the accused no.1 company. The accused no 2 to 4 are fully responsible for all the deeds, acts and omission done by accused no. 1 company and as such they are liable for all the deeds, acts and omissions etc. done by accused no. 1 company and also aware about the complete and entire facts of the present case and thus having become liable to be prosecuted under the provisions of law as above. The names of the accused no. 2 to 4 are duly mentioned as directors in the master data in the accused no. 1 company.”

19. Though it has been argued on behalf of the petitioners, that averments in the complaint are not sufficient to proceed against the petitioners herein, the said argument, in this Court’s opinion, is unmerited. A perusal of the averments made in the complaint, and the documents pertaining to the accused company placed before this Court, when examined in light of the ratio of the Hon’ble Supreme Court in **A.K. Singhania v. Gujarat State Fertilizer Company Limited & Anr.** (*supra*) and **S.P. Mani and Mohan Dairy v. Dr. Snehalatha Elangovan** (*supra*), appears to *prima facie* fulfil the requirement of making specific averments while filing complaint for offence under Section 138/141 of NI Act.

20. Thus, considering the overall facts of the case, and the for the reasons recorded in the preceding paragraphs, this Court finds no



2025:DHC:4211



ground to quash or set aside the impugned summoning order dated 02.09.2020.

21. Accordingly, the present petition stands dismissed.

22. However, it is made clear that the observations made by this Court are solely for the purpose of deciding the present petition and the learned Trial Court will not be influenced by the same. It is further clarified that the petitioners shall be at liberty to raise all these contentions before the learned Trial Court at appropriate stage.

23. The judgment be uploaded on the website forthwith.

DR. SWARANA KANTA SHARMA, J

MAY 22, 2025/ ns