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

\+ CRL.M.C. 3533/2025, CRL.M.A. 15560/2025, CRL.M.A. 15561/2025

PURPLE PAPER PRODUCTS PVT. LTD. .....Petitioner

Through: Mr. C.M. Kapoor, Advocate.

versus

M/S NARSINGH DASS AND CO. PARTNERSHIP FIRM .....Respondent

Through: None.

\+ CRL.M.C. 3534/2025, CRL.M.A. 15562/2025, CRL.M.A. 15563/2025

PRASHANT BHIKHAN PROPRIETOR M/S INDIGO HYGIENE .....Petitioner

Through: Mr. C.M. Kapoor, Advocate.

versus

NARSINGHDASS AND CO. .....Respondent

Through: None.

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

O R D E R

% **19.05.2025**

1. The present petitions under Section 528 of Bharatiya Nagarik Suraksha Sanhita, 2023[1] (corresponding to Section 482 of the Code of Criminal Procedure, 1973[2]) seek quashing of complaint bearing CC No.

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[1] "BNSS"
[2] "Cr.P.C."

9218/2019 titled as "***M/s Narsingh Dass & Co. v. Purple Paper Products Pvt. Ltd. & Others***" and CC No. 9220/2019 titled as "***M/s Narsingh Dass & Co. v. Prashant Bhikhan***" and all further proceedings emanating therefrom, including the summoning order dated 5th December, 2019 in CC No. 9218/2019 and the summoning order dated 4th December, 2019 in CC No. 9220/2019.

2. The said complaint cases were filed by M/s Narsingh Dass and Co. for the offences under Section 138 of the Negotiable Instruments Act, 1881[3], against M/s Purple Paper Products Pvt. Ltd. and its directors, and Prashant Bhikhan, the sole proprietor of M/s Indigo Hygiene, which is a sister company of the former.

3. In the said proceedings, after recording of pre-summoning evidence, the Trial Court took cognizance of the offences punishable under Section 138 of the NI Act and issue summons to the Petitioners in both cases. Subsequently, notices under Section 251 of Cr.P.C. was also framed against all of the accused in the two cases, who pleaded not guilty. As such, the matters have now advanced and are at the stage of trial in both cases.

4. It is at this juncture, that the accused persons have approached this Court through the captioned petitions, alleging that the Trial Court has failed to appreciate that there is no legally enforceable liability of the Petitioners against the Respondent and therefore, the Respondent had no *locus standi* to file the complaint under Section 138 of the NI Act.

5. It is pointed out that the Respondent firm itself had asked the Petitioners in both the captioned petitions to issue "Undated Cheques" in their favour for payment towards supply of material. Therefore, it is alleged

that the cheques in question were never issued by the Petitioners for transactions carried out between the parties but were rather issued as securities. On the contrary, it is urged that the cheques were handed over to the Respondent firm several years prior to the alleged date of the cheques. The Petitioners in both the petitions contend that these aspects have not been considered by the Trial Court while issuing summons to them.

6. In CRL.M.C. 3533/2025, it is further argued that the Trial Court has erred in not considering that Petitioner Nos. 3 and 4 therein were not involved in the day-to-day affairs of the accused company and therefore, no summoning order ought to have been issued against them.

7. The Court has considered the submissions of the parties, however, in the opinion of the Court, none of the grounds urged in the captioned petitions call for any interference by this Court at this juncture.

8. It is noted that the summoning orders were passed by the Trial Court in 2019 – order dated 5th December, 2019 impugned in CRL.M.C. 3533/2025, and 4th December, 2019 impugned in CRL.M.C. 3534/2025. Further, the notices under Section 251 of Cr.P.C. against the Petitioners were issued in 2023. Therefore, there is gross delay on the part of the Petitioners in approaching this Court seeking quashing of the complaint case initiated against them.

9. Notwithstanding such delays, the Court also does not find any ground to quash the impugned compliant cases on merits. As noted above, the impugned compliant cases have advanced to the stage of trial. The main contention of the Petitioners, that the cheques in question were not issued against any legally enforceable debt/liability and were instead only security

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3 "NI Act"

cheques issued at the insistence of the Respondent, is a subject matter which needs to be examined during trial. The legal effect of the email communication issued by the Respondent firm and question as to whether the cheques were issued prior, subsequent or were unrelated to the transactions between the parties, would have to the examined on the basis of evidence to adduced by the parties during the course of trial. Moreover, the contention that that Petitioner Nos. 3 and 4 in CRL.M.C. 3533/2025 have not committed any offence as they were not in charge for the conduct of the accused company, is also a subject matter which would have to be established during trial. At this juncture, this Court cannot quash the impugned complaint case solely on the ground that these Petitioners, who were directors in the accused company, were not involved in its daily functioning. On the contrary, in the impugned complaint, the Respondent firm alleged that these Petitioners were active directors of the accused company. Moreover, as regards Petitioner No. 4 in CRL.M.C. 3533/2025, the compliant specifically mentions that after the cheque in question was dishonoured and a legal notice was sent to the accused company, Petitioner No. 4, as a representative of the accused company, approached the Respondent firm for a meeting to resolve the dispute *inter-se* the parties. He had also sent an email in this regard to the Respondent firm.

10. It is well settled that even though this Court has inherent powers under Section 528 of BNSS to quash criminal proceedings, such a power ought to be exercised to secure the ends of justice or to prevent the abuse of the process of law[4]. In the present case, none of the grounds urged by the Petitioners inspire the Court to invoke its inherent powers. It is noted that

the Trial Court, finding *prima facie* merit in the contentions of the Respondent, issued notices to the Petitioners under Section 251 of Cr.P.C. and thereafter, the trial in the summons case was initiated. All of the grounds urged in the present petition can very well be raised during the trial, wherein the Petitioners will have ample opportunity to rebut the contentions of the Respondent firm and lead their respective evidence to support their case. Quashing the compliant cases, at this juncture, will have the effect of prejudicing the rights of the Respondent/Complainant.

11. In light of the foregoing, this Court finds no merit in the present petitions and the same are dismissed, along with pending applications.

SANJEEV NARULA, J

MAY 19, 2025
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[4] ***Parbatbhai Aahir & Ors. v. State of Gujarat & Anr.,*** (2017) 9 SCC 641