

**IN THE HIGH COURT AT CALCUTTA
CRIMINAL REVISIONAL JURISDICTION
Appellate Side**

Present:

The Hon'ble Justice Ajay Kumar Gupta

C.R.R. 933 of 2017

With

CRAN 2/2017 (Old CRAN 2865/2017)

CRAN 3/2017 (Old CRAN 3960/2017)

Pradyut Samanta

Versus

The State of West Bengal & Another

For the Petitioner : Mr. Tanmoy Chowdhury, Adv.
Ms. Ritoprita Ghosh, Adv.
Ms. Sulagna Sarkar, Adv.

For the State : Ms. Anasuya Singh, Ld. APP
Mr. Sujan Chatterjee, Adv.

Heard on : 09.01.2026

Judgment on : 11.02.2026

Ajay Kumar Gupta, J:

1. The instant Criminal Revisional application has been preferred under Section 482 of the Code of Criminal Procedure, 1973 (in short 'Cr.P.C.), by the petitioner seeking quashing of the proceeding being Arambagh P.S. Case No. 1066 of 2016 dated 11.11.2016 under Sections 406/420 of the Indian Penal Code corresponding to G.R. No. 2090 of 2016, pending before the Court of the Learned Additional Chief Judicial Magistrate at Arambagh, District – Hooghly.

FACTS OF THE CASE:

2. The brief facts, leading to the filing of this instant Criminal Revisional application, are that the petitioner runs a small business of selling chicken and poultry feed under the name and style of Loknath Feed Centre. The business is registered with Harinkhola-2 Gram Panchayat, and has a valid trade certificate issued in its name.
3. Opposite Party No. 2 is a supplier of chicken and poultry feed. The petitioner has been buying feed from him regularly since 2012, and both parties had a long and smooth business relationship.
4. The supplier usually supplied goods on credit, and the petitioner made payments regularly, in cash, by cheque, and through bank transfer, and the supplier gave receipts for the same.
5. During the period from 1st April, 2013 to 31st March, 2014, the total business transaction taken place between them was of Rs.

1,02,22,252/- out of this, the petitioner had paid an amount of Rs. 75,61,200/-, and the remaining amount was indicated in the supplier's ledger as due.

- 6.** On 19th March, 2014, the supplier himself gave a 3% rebate (discount) on the balance amount, reducing the outstanding dues. This shows that the supplier accepted the accounts and payments.
- 7.** Even after 2014, the business and payments continued regularly. The last payment was made on 12th July 2016, which proves that there was no break in the business relationship.
- 8.** Problems started when the supplier began using some security cheques given by the petitioner without informing him.
- 9.** Suddenly, on 12th November 2016, the police picked up the petitioner from his house at night without any reason or explanation, and without giving any notice. Later, the petitioner came to know that the supplier had filed a police complaint falsely claiming that an amount of ₹40 lakh was due for more than one year and that the petitioner had cheated the Opposite party No. 2.
- 10.** Based on this complaint, Arambagh Police Station registered an FIR, being Arambagh Police Case No. 1066 of 2016, dated 11.11.2016, under Sections 406 and 420 of IPC (criminal breach of trust and cheating).

11. After completion of investigation, the investigating agency submitted a charge sheet being Charge Sheet No. 1027/2016 dated 18.11.2016, under Sections 406/420 of IPC against the petitioner. The petitioner was later released on bail by the Learned Court.
12. The petitioner contends that the claim of ₹40 lakh is completely false and frivolous. It is not linked to any specific bill and is clearly contradicted by bank statements and receipts, which indicate payments were made till July 2016.
13. Being aggrieved by and dissatisfied with the aforesaid illegal action of the police and proceedings being initiated by the opposite party no. 2 without any fault of the petitioner, the petitioner filed this revisional application praying for the aforesaid prayer.

SUBMISSION ON BEHALF OF THE PETITIONER: -

14. Learned counsel appearing on behalf of the petitioner submitted that whatever transactions had been made between the petitioner and the opposite party No.2 are commercial transactions. It is an admitted fact that out of such transaction amount, payments have been made by the Petitioner from time to time, and lastly, a payment was made on 12.07.2016. If any dues, however, for the sake of argument, are lying with the petitioner, that may be recovered by filing a civil suit and not by a criminal complaint. The opposite party, with an ill motive, attempted to convert alleged breach of contractual obligations

and/or civil disputes into a criminal complaint, despite several warnings issued by the Hon'ble Apex Court and High Courts against criminalising civil disputes, explaining the difference between breach of contractual obligations, criminal breach of trust and cheating. The opposite party no. 2, tried to paint the business transaction as a criminal offence. The Petitioner is innocent and never committed any offence as alleged by the complainant/opposite party no. 2. As such, the petitioners pray for quashing of the proceeding pending before the Trial court to prevent the abuse of process of law.

15. Learned counsel appearing on behalf of the petitioner placed reliance on the following judgments to bolster his contention: -

- i. *Dalip Kaur and Ors. Vs. Jagnar Singh and Anr.*¹**
particularly in paragraph no. 31;
- ii. *Vijay Kumar Ghai & Ors. Vs. The State of West Bengal & Ors.*²** particularly in paragraph nos. 31, 33, 34 and 42;
- iii. *Sankar Mondal Vs. The State of West Bengal & Anr.*³**
particularly in paragraph no. 31;
- iv. *D.K. Enterprises Pvt. Ltd. & Anr. Vs. The State of West Bengal & Anr.*⁴** particularly in paragraph no. 11.

¹ (2009) 14 SCC 696 : 2009 SCC OnLine SC 1241

² 2022 LiveLaw (SC) 305

³ CRR 1232 of 2023 judgment dated 26.09.2025

⁴ 2025 : CHC – AS: 1371

16. None appeared on behalf of the opposite party no. 2 at the time of call, and no accommodation was sought for. Needless to mention that the opposite party no. 2 was represented earlier on many occasions.

SUBMISSION ON BEHALF OF THE STATE:-

17. Learned counsel appearing on behalf of the State submitted that there was a business transaction between the parties. Business continued for a long period, and it is an admitted fact that some dues are lying with the petitioner. He did not pay the due amount in due course, even after assurance. Therefore, he committed an offence as alleged by the opposite party no. 2, and after the culmination of the investigation, sufficient materials were collected against the Petitioner to establish a prima facie case, punishable under sections 406 and 420 of the Indian Penal Code. Therefore, the proceeding should not be quashed and allowed to be continued to unearth the truth.

DISCUSSIONS, ANALYSIS AND CONCLUSION OF THIS COURT:

18. This Court has heard the arguments advanced by the learned counsels for the respective parties and upon perusal of materials on record, this Court finds that in the present case, it has nowhere been stated that at the very inception there was any intention on behalf of the petitioner to cheat, which is a condition precedent for an offence under Section 420 of the Indian Penal Code. Furthermore, there is nothing in the complaint to show that the petitioners had dishonest

and fraudulent intentions at the time, when the opposite party had supplied feed to the petitioner from time to time, between 2012 and 2016.

19. It is further admitted fact that there were business terms and transactions between the parties. The petitioners had paid the bill amount from time to time. The petitioner purchased poultry feed worth Rs. 1,02,22,252/- during their business transactions. A dispute arose between the parties when the opposite party no. 2 demanded Rs. 40 lakhs as due, even though it has been disputed by the petitioner. Even assuming the allegations to be correct for the sake of argument, any alleged dues recoverable from the purchaser would, at best, give rise to a dispute civil in nature, amenable to adjudication before a competent Civil Court. The complaint petition does not disclose the essential prima facie ingredients of the offences punishable under Sections 406 and 420 of the Indian Penal Code.

20. This Court also relies on several Judgments of the Hon'ble Apex Court. These are taken up herein below:

21. The Hon'ble Supreme Court in ***The State of Kerala v. A. Pareed***

Pillai and Anr.⁵ has held as follows:-

"To hold a person guilty of the offence of cheating, it has to be shown that his intention was dishonest at the time of making the promise. Such a dishonest intention cannot be inferred from the mere fact that he could not subsequently fulfil the promise."

⁵ (1972) 3 SCC 661

- 22.** Similarly, in the instant case, there was no evidence to indicate that the petitioners had dishonest or fraudulent intentions at the time the agreement took place to supply poultry feed. A dispute arose between the parties when the opposite party claimed that a huge amount was found due in his ledger. The opposite party no. 2 claimed almost Rs. 40 lakhs in dues for the supply of poultry feed. It was further alleged that the petitioner had not paid the same amount for about one year, giving false assurances.
- 23.** It is an admitted fact that their business transactions continued for a long period and the petitioner made regular payments time to time to the opposite party. Even if there are dues or business transactions or non-payment of dues amount by no stretch of imagination, they can be called dishonest inducements. It was purely business transactions of a civil nature. Simply because of the amounts have not been paid or are outstanding will not make it a case of wilful or dishonest inducement or deception.
- 24.** Similarly, in **Haridaya Ranjan Prasad Verma and Ors. v. State of Bihar and Anr.**⁶ like in the present case, the Hon'ble Apex Court held that:-

“There was no allegation in the complaint indicating, expressly or impliedly, any intentional deception on the part of the appellants right from the beginning of the transaction. The Hon'ble Apex Court drew distinction between cheating from mere breach of contract. According to

⁶ (2000) 4 SCC 168

the Hon'ble Apex Court, definition of cheating contemplates two separate classes of acts namely deception by fraudulent or dishonest inducement and deception by intention. Deception by fraudulent or dishonest inducement must be shown to exist right from the beginning of the transaction".

- 25.** It is not the case of the opposite party in the present case that he was deceived by fraudulent or dishonest inducement from the beginning of the transaction; rather, it is an admitted fact that the petitioner had made regular payments from time to time.
- 26.** The complaint indicates that there was no fraudulent or dishonest inducement or deception by intentional practiced by the petitioner right from the beginning of the transaction. If subsequent payment has not been made, that will not tantamount to deception, fraudulent or dishonest inducement, nor would it amount to deception by intentional means right from the beginning of the transaction. Therefore, the case under Sections 406/420/ of IPC in the facts of this case has not been made out. The petitioner was not deceived nor induced to enter into the business transaction. That is neither his case in the complaint, nor was the opposite party no. 2 dishonestly or fraudulently induced into delivering the poultry feed. They shared a business transaction since 2012, and it continued till 2016. The breach of contract or business transaction cannot be called cheating in the facts of this case.

27. A similar view was also expressed in the case of ***Hari Prasad Chamaria vs. Bishun Kumar Surekha and Ors.***⁷, wherein the Hon'ble Apex Court was dealing with a case of quashing of FIR under Section 420 IPC, where the appellant had entered into a business transaction and, in good faith, paid a large amount to the respondents for starting the business. The respondents neither started the business in their own names nor refused to render accounts, nor was the money refunded by that appellant. The question before the Hon'ble Apex Court arose whether in such circumstances the respondents could be held criminally liable under Section 420 IPC. The Hon'ble Apex Court, negating the plea of the appellant, observed that even assuming prima facie all the allegations in the complaint to be true, they merely amount to a breach of contract and could not give rise to criminal prosecution. The relevant paragraph has been setout hereinbelow:-

“4. We have heard Mr Maheshwari on behalf of the appellant and are of the opinion that no case has been made out against the respondents under Section 420 of the Penal Code, 1860. For the purpose of the present appeal, we would assume that the various allegations of fact which have been made in the complaint by the appellant are correct. Even after making that allowance, we find that the complaint does not disclose the commission of any offence on the part of the respondents under Section 420 Penal Code, 1860. There is nothing in the complaint to show that the respondents had dishonest or fraudulent intention at the time the appellant parted with Rs 35,000. There is also nothing to indicate that the respondents induced the appellant to pay them Rs 35,000 by deceiving him. It is further not the case of the appellant that a representation was made

⁷ (1973) 2 SCC 823

by the respondents to him at or before the time he paid the money to them and that at the time the representation was made, the respondents knew the same to be false. The fact that the respondents subsequently did not abide by their commitment that they would show the appellant to be the proprietor of Drang Transport Corporation and would also render accounts to him in the month of December might create civil liability for them, but this fact would not be sufficient to fasten criminal liability on the respondents for the offence of cheating.”

- 28.** In the light of the above observations together with averments contained in the Court complaint, this Court finds ingredient of the offences alleged by the opposite party no.2 is missing. Merely because payment has not been made or accounts have not been settled, it does not constitute offences punishable under Sections 406/420 of the Indian Penal Code. The disputes between the parties are purely civil in nature, and criminal proceedings in a civil case should not be allowed to be continued any further against the present petitioner; it would be an abuse of process of law. To secure the end of justice, the proceeding deserves to be quashed.
- 29.** Accordingly, **CRR 933 of 2017** is, thus, **allowed**. **CRAN 2/2017 (Old CRAN 2865/2017)** and **CRAN 3/2017 (Old CRAN 3960/2017)** and all connected applications, if any, are also, thus, disposed of.
- 30.** Consequently, the proceeding being Arambagh P.S. Case No. 1066 of 2016 dated 11.11.2016 under Sections 406/420 of the Indian Penal Code corresponding to G.R. No. 2090 of 2016, pending before the Court of the Learned Additional Chief Judicial Magistrate at Arambagh, District – Hooghly is hereby quashed insofar as the

petitioner is concerned and Order passed therein against the present petitioner is also set aside.

- 31.** Case Diary, if any, is to be returned to the learned Advocate for the State.
- 32.** Let a copy of this Judgment and Order be sent to the Learned Court below for information.
- 33.** Interim order, if any, stands vacated.
- 34.** All parties will act on the server copies of this Judgment and Order uploaded on the official website of this Hon'ble High Court.
- 35.** Urgent photostat certified copy of this Judgment and Order, if applied for, is to be given as expeditiously to the parties on compliance of all legal formalities.

(Ajay Kumar Gupta, J)

P. Adak (P.A.)