IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

253 **CRM-M-54509-2025 (O&M)**
Date of decision : 02.07.2026

Anil Gupta

... Petitioner

Versus

M/s Rao Laxman Dass Trading Company

... Respondent

CORAM : HON'BLE MR. JUSTICE H.S.GREWAL

Present:- Mr. Aashish Chopra, Senior Advocate with
Mr. Gagandeep Singh, Advocate and
Mr. Abhishek Kansal, Advocate for the petitioner.

Mr. Vipin Paul Yadav, Advocate the respondent.

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<u>H.S. Grewal, J.(Oral)</u>

1. This petition has been filed under Section 528 of BNSS, 2023 seeking quashing of the order dated 11.09.2023 (Annexure P-12), passed by the Learned Sub-Divisional Judicial Magistrate, Gohana in Criminal Complaint bearing Registration No.100 of 2017, titled as 'M/s Rao Laxman Dass Trading Company versus Amira Pure Foods Pvt. Ltd. and others', dated 18..04.2017, whereby the petitioner along with others have been declared proclaimed person. It is further prayed for quashing of the Criminal Complaint bearing Registration No.100 of 2017, titled as 'M/s Rao Laxman Dass Trading Company versus Amira Pure Foods Pvt. Ltd. and others' (Annexure P-3) registered on 28.04.2017, filed by the respondent under Sections 138 and 142 of the Negotiable Instruments Act, 1881 (hereinafter referred as 'Act') and all consequential proceedings arising therefrom including the summoning

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order dated 15.06.2017 (Annexure P-6), passed by the learned Sub-Divisional Judicial Magistrate, Gohana.

2. The case of the prosecution is that the complainant/respondent filed a complaint (Annexure P-3) against the petitioner being one of the Director of 'Amira Pure Foods Pvt. Ltd.' and other accused persons wherein it was alleged that accused Nos.2 to 8 are Directors of accused No.1 i.e. Amira Pure Foods Private Limited. It is stated that they purchased paddy from the respondent/complainant on credit basis and in order to discharge their legal liability, they issued two cheques bearing Nos.023525 & 023526 dated 29.11.2016, each amounting to Rs.10 lakhs. Upon presentation, the said cheques were dishonoured with the remarks "Account Closed". Thereafter, a legal notice (Annexure P-5) was issued, but the accused failed to make payment within the stipulated period and as a result thereto, the impugned complaint dated (Annexure P-3) was filed by the respondents against the accused company and its Directors including the petitioner and vide the impugned order dated 15.06.2017 (Annexure P-6), the learned Sub-Divisional Judicial Magistrate, Gohana had ordered for summoning of all the accused persons to face trial and thereafter, vide order dated 11.09.2023 (Annexure P-12), passed by the learned Sub-Divisional Judicial Magistrate, Gohana, the petitioner along with others have been declared proclaimed person.

3. Learned Senior Counsel for the petitioner submits that learned trial Court has erred in summoning the petitioner being Director of Amira Pure Foods Pvt. Ltd.(accused No.1) as the cheques in question were issued on 29.11.2016 while the petitioner had already resigned from the Company on 21.01.2016. In this regard, he referred to the requisite form DIR-11 and DIR-

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12 showing acceptance of his resignation as Director by the Board w.e.f. 21.01.2016 at Annexure P-1 & P-2 respectively. It is further submitted that the petitioner was neither a signatory to the cheques nor was he incharge of or responsible for the conduct of the business of the company at the relevant time. Therefore, no vicarious liability can be fastened upon him under Section 141 of the Act. Learned Senior counsel also submits that identical issue has already been decided by the Coordinate Benches of this Court in several cases including in the case of **'Anil Gupta versus Pawan Kumar,** bearing CRM-M-34710-2019, decided on 03.05.2024 (Annexure P-15) and **'Anil Gupta versus M/s Ram Ditta Mal Surinder Kumar and another'**, bearing CRM-M-14339-2019, decided on 08.07.2024 (Annexure P-16).

4. *Per contra*, learned counsel for the respondent vehemently opposes the prayer of the petitioner and submits that the documents relied upon by the petitioner, i.e. DIR-11 and DIR-12, involve disputed questions of fact which require evidence and can only be adjudicated during trial after proper appreciation of material on record.

5. I have heard learned counsel for the parties and perused the material available on record.

6. It is an admitted fact that the complainant/respondent had business transactions with 'Amira Pure Foods Private Limited' and various cheques were issued by the Company towards discharge of its liability. The aforesaid cheques were issued on 29.11.2016, which were dishonoured upon presentation and as a result thereto, a criminal complaint (Annexure P-3) under Section 138/142 of the NI Act was filed by the respondent/complainant.

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7. The primary contention raised by the petitioner is that he had already resigned from the company on 21.01.2016, i.e., prior to the issuance of the alleged cheques and therefore, he cannot be held liable for the day-to-day affairs or conduct of the business of the company.

8. Moreover, the Coordinate Bench of this Court, while deciding the similar question of fact, had allowed the petition i.e. CRM-M-14339-2019 and gave the following observations:-

> *"To attract the offence under Section 141 of NI Act, the primary responsibility on the complainant is to make specific averments as required under the law in the complaint so as to make the accused vicariously liable for fastening criminal liability.*
>
> *10. The Hon'ble Supreme Court in **SMS Pharmaceuticals Vs. Neeta Bhalla (2007) 4 SCC 70** held that merely because a person is a director of a company, it is not necessary that he is aware about the day to day functioning of the company. It was further held that there was no universal rule that a director of a company is incharge of its everyday affairs. It was therefore necessary, to aver as to how the director of the company was incharge of day to day affairs of the company or responsible to the affairs of the company.*
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> *11. The aforesaid view was reiterated by the Hon'ble Supreme Court in **National Small Industries Corporation Limited Vs. Harmeet Singh Paintal and another 2010 (3) SCC 330** and **Pooja Ravinder Devidesani's case** (supra).*
>
> *12. In **National Small Industries Corporation Limited's case (supra),** the Hon'ble Apex Court also held as follows:-*
>
> > *"26) Apart from the legal position with regard to compliance of Section 141 of the Act, in the appeals of National Small Industries Corporation, respondent No.1- Harmeet Singh Paintal was no more a Director of the company when the cheques alleged in the complaint were signed and the same is evidenced from the Sixth Annual Report for the year 1996-97 of the accused company. The said report is of dated 30.08.1997 and the same was submitted with the Registrar of Companies on 05.12.1997 and assigned as document No. 42 dated 09.03.1998 by the Department. Those documents have been placed before this Court by respondent No.1 as an additional document. In view of these particulars and in addition to the interpretation relating to Section 141 which we arrived at, no liability could be fastened on respondent No.1.*
> >
> > *Further, it was pointed out that though he was an authorized signatory in the earlier transactions, after settlement and in respect of the present cause of action, admittedly fresh cheques were not signed by the first respondent. In the same way, in the appeal of the DCM Financial Services, the respondent therein, namely, Dev Sarin also filed additional documents to show that on*

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the relevant date, namely the date of issuance of cheque he had no connection with the affairs of the company.

27) In the light of the above discussion and legal principles, we are in agreement with the conclusion arrived at by the High Court and in the absence of specific averment as to the role of the respondents and particularly in view of the acceptable materials that at the relevant time they were in no way connected with the affairs of the company, we reject all the contentions raised by learned counsel for the appellants. Consequently, all the appeals fail and are accordingly dismissed."

13. Now reverting back to the facts of the case on hand, a perusal of copy of form No.DIR-11 (Annexure P-8) reveals that petitioner had resigned as director of accused No.1 a company w.e.f. 21.01.2016. This fact has not been refuted by the respondents No.1 and 2, who failed to turn up despite their due service in the present petition. Further, form No.DIR-11 is a official document which comes under public domain and is free from suspicion and can be relied upon even at the prima facie stage. Thus, it is evident that at the time when cheques in question were issued and subsequently, dishonored the petitioner was having no connection with the affairs of the company and had already severed all ties with the company.

14. In light of the above, in order to secure ends of justice and to prevent the abuse of process of Court, sufficient grounds are made out to interfere in this matter under Section 482 Cr.P.C."

9. In light of the above, this petition is allowed and the Criminal Complaint bearing Registration No.100 of 2017, titled as 'M/s Rao Laxman Dass Trading Company versus Amira Pure Foods Pvt. Ltd. and others'(Annexure P-3), the summoning order dated 15.06.2017 (Annexure P-6) and the order dated 11.09.2023 (Annexure P-12) passed by the learned Sub-Divisional Judicial Magistrate, Gohana along with all consequential proceedings arising therefrom are hereby quashed qua the petitioner only.

10. Pending application, if any, shall stand disposed of accordingly.

(H.S.GREWAL)
JUDGE

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Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No

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