CGHC010440282025

2026:CGHC:35946-DB

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPCR No. 539 of 2025

1 - Kirti Ahluwalia W/o Shri Parvinder Ahluwalia Aged About 43 Years Proprietor Of K.S. Enterprises, R/o House No. 5, Jal Vihar Colony, Ward No. 42, Raipur (C.G.)

2 - Jasbir Ahluwalia S/o Kishan Dave Ahluwalia Aged About 53 Years Proprietor Of R.R. Enterprises, R/o House No. 5, Jal Vihar Colony, Ward No. 42, Raipur (C.G.)

--- **Petitioners**

Versus

1 - State of Chhattisgarh Through The Station House Officer, Police Station Civil Lines, Raipur, District Raipur (C.G.)

2 - Santosh Rai S/o Late Jagdev Rai Aged About 59 Years Authorized Signatory Of S.G. Mart Ltd. Having Office At Land Bearing Sr No. 4/1, 4/2, 3/1, 3/1, 3/3 Vpo Dhaneli, Nimora, Raipur (C.G.)

--- **Respondents**

WPCR No. 580 of 2025

1 - Smt. Sharda Agrawal S/o Late Satyanarayan Agrawal Aged About 68 Years R/o Budhwari Bazar Road, Sakti, District : Sakti, Chhattisgarh

2 - Surendra Agrawal S/o Late Satyanarayan Agrawal Aged About 48 Years Police And Tahsil- Sakti, District : Sakti, Chhattisgarh

---**Petitioners**

Versus

1 - State of Chhattisgarh Through The Station House Officer, Police Station Civil Lines, Raipur, District : Raipur, Chhattisgarh

2 - Santosh Rai S/o Late Jagdev Rai Aged About 59 Years Authorized Signatory Of S.G. Mart Ltd. Having Office At Land Bearing Sr. No. 4/1, 4/2, 3/1, 3/1, 3/3 V.P.O. Dhaneli, Nimora, Raipur, Chhattisgarh

--- **Respondents**

<u>WPCR No. 552 of 2025</u>

1 - Ashok Dodeja S/o Late Girdhari Lal Dodeja Aged About 68 Years R/o M I G 6, M P H B Colony, Katora Talab, Raipur, C.G.

2 - Khushal Dodeja (Deleted) As Per Honble Court Order Dated 17-10-2025.

---**Petitioners**

Versus

1 - State of Chhattisgarh Through The Station House Officer, Police Station Civil Lines, Raipur, District Raipur, C.G.

2 - Santosh Rai S/o Late Jagdev Rai Aged About 59 Years Authorized Signatory Of S.G. Mart Ltd. Having Office At Land Bearing Sr. No. 4/1, 4/2, 3/1, 3/1, 3/3, V P O Dhaneli, Nimora, Raipur, C.G.

--- **Respondents**

<u>WPCR No. 616 of 2025</u>

Parvinder Ahluwalia S/o Shri Kishan Dev Ahluwalia Aged About 48 Years R/o House No. 5, Jal Vihar Colony, Raipur, District Raipur Chhattisgarh

---**Petitioner**

Versus

1 - State of Chhattisgarh Through The Station House Officer, Police Station Civil Lines, Raipur, District Raipur Chhattisgarh

2 - Santosh Rai S/o Late Jagdev Rai Aged About 59 Years Authorized Signatory Of S.G. Mart Ltd. Having Office At Land Bearing Sr No. 4/1, 4/2, 3/1, 3/1, 3/3 V P O Dhaneli, Nimora, Raipur Chhattisgarh

... Respondents

(Cause-title taken from Case Information System)

For Petitioners	:	Mr. B.P. Sharma, Mr. Sanjay Agrawal and Mr. Chakresh Tiwari, Advocates
For State	:	Mr. Shaleen Singh Baghel, Government Advocate
For Respondent No.2	:	Mr. Sunil Otwani, Senior Advocate assisted by Mr. Vikas Dubey, Advocate

Hon'ble Shri Ramesh Sinha, Chief Justice
Hon'ble Shri Ravindra Kumar Agrawal, Judge

Order on Board

***Per* Ramesh Sinha, Chief Justice**

13.08.2026

1. Heard Mr. B.P. Sharma, Mr. Sanjay Agrawal and Mr. Chakresh Twiari, learned counsel for the petitioners, Mr. Shaleen Singh Baghel, learned Government Advocate, appearing for State and Mr. Sunil Otwani, learned Senior Counsel, assisted by Mr. Vikas Dubey, learned counsel appearing for respondent No.2.

2. Since all these petitions arise out of the same set of facts and circumstances and involve a common question as to the legality and validity of FIR No.464/2025 dated 24.09.2025 registered at Police Station Civil Lines, Raipur, under Sections 316 and 3(5) of the Bharatiya Nyaya Sanhita, 2023, and as the reliefs sought in all the petitions are substantially identical, they have been heard together and are being decided by this common order.

3. For the sake of convenience and with the consent of learned counsel for the parties, W.P.(Cr.) No.539 of 2025 is being treated as the lead case, and the facts and pleadings of the said petition are being referred to for deciding all the connected petitions.

4. By filing the present petitions under Article 226 of the Constitution of India read with the inherent and extraordinary jurisdiction of this Court, the petitioners call in question the legality and validity of FIR No.464/2025 dated 24.09.2025 registered at Police Station Civil Lines, Raipur, under Sections 316 and 3(5) of the Bharatiya Nyaya Sanhita, 2023, and the consequential criminal proceedings arising therefrom. The petitioners principally contend that the dispute between the parties emanates from commercial transactions relating to sale and purchase of steel products and the alleged outstanding payment arising therefrom, which is essentially civil in nature, and that the criminal machinery has been invoked as a means of exerting pressure for recovery of the alleged dues. It is further contended that even if the allegations contained in the FIR are accepted in their entirety and taken at their face value, the essential ingredients of the alleged offences are not made out against the petitioners and, therefore, continuation of the criminal proceedings would amount to an abuse of the process of law.

5. In WPCR No.539/2025, the petitioners have sough for following relief(s):-

> *“a. A writ and/or an order in the nature of mandamus do issue calling for records pertaining to case of petitioner from respondent concerned for perusal of this Hon'ble Court, if deem fit.*

b. A writ and / or an order in the nature of appropriate writ or certiorari or any other writ which may this Hon'ble Court deem fit do issue for quashment of the FIR no. 464/2025 dated 24.09.2025 under Section 316, 3(5) of the Bharatiya Nagarik Suraksha Sanhita, 2023, registered at Police Station Civil Lines, Raipur being abuse of process of court and abuse of process of law and also in violation of fundamental rights guaranteed under Constitution of India, in the facts and circumstance of the matter in the interest of justice.

c. Cost of the proceedings.

d. Any other writs and directions that may be deemed fit and just in the facts & circumstances of case as the case in hand is a way of arm twisting method to recover the alleged due amount of a commercial transaction."

6. In WPCR No.552/2025, the petitioners have sough for following relief(s):-

"a. A writ and/or an order in the nature of mandamus do issue calling for records pertaining to case of petitioner from respondent concerned for perusal of this Hon'ble Court, if deem fit.

b. A writ and / or an order in the nature of appropriate writ or certiorari or any other writ which may this Hon'ble Court deem fit do issue for quashment of the FIR no. 464/2025 *dated 24.09.2025 under Section 316, 3(5) of the Bharatiya Nagarik Suraksha Sanhita, 2023, registered at Police Station Civil Lines, Raipur being abuse of process of court and abuse of process of law and also in violation of fundamental rights guaranteed under Constitution of India, in the facts and circumstance of the matter in the interest of justice.*

c. Cost of the proceedings.

d. Any other writs and directions that may be deemed fit and just in the facts & circumstances of case as the case in hand is a way of arm twisting method to recover the alleged due amount of a commercial transaction."

7. In WPCR No.580/2025, the petitioners have sough for following relief(s):-

"10.1 A writ and/or an order in the nature of mandamus do issue calling for records pertaining to case of petitioner from respondent concerned for perusal of this Hon'ble Court, if deem fit.

10.2 A writ and / or an order in the nature of appropriate writ or certiorari or any other writ which may this Hon'ble Court deem fit do issue for quashment of the FIR no. 464/2025 dated 24.09.2025 under Section 316, 3(5) of the Bharatiya Nagarik Suraksha Sanhita, 2023, registered at Police Station Civil Lines, Raipur being abuse of process of court and *abuse of process of law and also in violation of fundamental rights guaranteed under Constitution of India, in the facts and circumstance of the matter in the interest of justice.*

10.3 Cost of the proceedings.

10.4 Any other writs and directions that may be deemed fit and just in the facts & circumstances of case as the case in hand is a way of arm twisting method to recover the alleged due amount of a commercial transaction."

8. In WPCR No.616/2025, the petitioner has sough for following relief(s):-

"a. A writ and/or an order in the nature of mandamus do issue calling for records pertaining to case of petitioner from respondent concerned for perusal of this Hon'ble Court, if deem fit.

b. A writ and / or an order in the nature of appropriate writ or certiorari or any other writ which may this Hon'ble Court deem fit do issue for quashment of the FIR no. 464/2025 dated 24.09.2025 under Section 316, 3(5) of the Bharatiya Nagarik Suraksha Sanhita, 2023, registered at Police Station Civil Lines, Raipur being abuse of process of court and abuse of process of law and also in violation of fundamental rights guaranteed under Constitution of India, in the facts and circumstance of the matter in the interest of *justice.*

c. Cost of the proceedings.

d. Any other writs and directions that may be deemed fit and just in the facts & circumstances of case as the case in hand is a way of arm twisting method to recover the alleged due amount of a commercial transaction.”

9. Brief facts relevant for disposal of the present batch of petitions are that the petitioners have approached this Court questioning the legality and validity of the common criminal action initiated against them pursuant to FIR No.464/2025 dated 24.09.2025 registered at Police Station Civil Lines, Raipur, under Sections 316 and 3(5) of the Bharatiya Nyaya Sanhita, 2023, arising essentially out of commercial transactions between the parties relating to purchase and sale of steel products. Since all the petitions arise out of the same FIR, involve substantially overlapping questions of fact and law and seek substantially similar reliefs, they were heard together and are being decided by this common order. The petitioners contend that the genesis of the dispute is a commercial transaction between the concerned firms, involving supply of goods, corresponding entries in the respective accounts, payments made from time to time and an alleged outstanding amount claimed by the complainant. According to the petitioners, the dispute, at its core, concerns the alleged non-payment of a monetary liability arising from business transactions and does not disclose the commission of any criminal offence.

10. It is the case of the petitioners that petitioner Nos.1 and 2 are proprietors of M/s R.R. Enterprises and M/s K.S. Enterprises, respectively, and are engaged in the business of trading various products, including steel products. In the ordinary course of their business dealings, the parties maintained accounts and business records evidencing the transactions undertaken between them. It is pleaded that, for facilitating the commercial transactions, corresponding accounts were opened and maintained in the names of the respective firms, and regular entries relating to purchase, sale, receipt of goods and payment of consideration were made therein. The petitioners rely upon the relevant account statements and bank statements to contend that the transactions were not fictitious or sham transactions but were genuine commercial dealings carried out over a period of time. According to them, the documents forming part of the petition itself demonstrate movement of goods and corresponding monetary transactions, thereby showing the existence of a genuine business relationship between the parties.

11. The petitioners further contend that, in the course of such business, goods were supplied from time to time and payments were also made from time to time. According to the petitioners, certain amounts thereafter remained outstanding between the parties and, being engaged in a continuing commercial business, the concerned firms were themselves required to make recoveries from their customers and were repeatedly requesting the concerned party to make payment of the outstanding amount. It is pleaded that such correspondence, including reminders exchanged between the parties, itself demonstrates that the dispute was essentially one relating to accounts and payment of the price of goods supplied. The petitioners submit that the correspondence does not disclose any allegation that, at the inception of the transactions, they had dishonestly or fraudulently induced the complainant to part with any property. Rather, the correspondence indicates that the parties had admittedly entered into commercial transactions and that the dispute subsequently arose regarding payment and adjustment of the amounts claimed by either side.

12. It is further the case of the petitioners that, on the allegation of non-payment of the outstanding amount, the complainant caused legal notices dated 15.03.2024 to be issued through counsel to M/s K.S. Enterprises and M/s R.R. Enterprises, respectively, raising a monetary demand towards the alleged outstanding amount together with interest and enclosing copies of bills and other documents relating to the transactions. The said notices were replied to by the petitioners through their counsel on 20.03.2024. According to the petitioners, the very issuance of the legal notices and the nature of the demand raised therein demonstrate that the grievance of the complainant was, at its foundation, a claim for recovery of money allegedly due under commercial transactions. If any amount was legally recoverable, the complainant had an efficacious remedy before the competent civil forum for adjudication of the accounts, liability, adjustment, interest and other contractual/commercial disputes between the parties.

13. The petitioners allege that, instead of pursuing the appropriate civil remedy for recovery of the alleged outstanding amount, the complainant approached the police authorities and set the criminal law into motion. The petitioners contend that the allegations incorporated in the FIR themselves disclose the underlying transaction between the parties and the alleged monetary liability arising therefrom. According to them, there is no allegation of any dishonest or fraudulent intention existing at the inception of the transaction and no specific overt act has been attributed to the petitioners demonstrating that they had entered into the transaction with a predetermined intention to cheat or defraud the complainant. It is their specific case that subsequent non-payment or failure to discharge an alleged monetary liability, by itself, cannot retrospectively establish the existence of fraudulent or dishonest intention at the inception of a commercial transaction. The petitioners therefore contend that the criminal prosecution has been initiated essentially to exert pressure upon them for recovery of an alleged civil liability and that permitting such prosecution to continue would amount to permitting the criminal process to be used as an instrument for recovery of money.

14. It is in the aforesaid factual background that the present batch of petitions has been filed. The petitioners have questioned not merely the existence of the commercial dispute but the very invocation of criminal jurisdiction in respect of such dispute, contending that the allegations contained in the FIR, even if accepted in their entirety, do not satisfy the essential ingredients of the offences alleged against them. They further contend that the FIR does not disclose the necessary factual foundation for attracting the allegation of conspiracy or common intention against the concerned petitioners and that there is no specific allegation demonstrating any prior meeting of minds or participation by the respective petitioners in any fraudulent design. According to the petitioners, the continuation of the criminal proceedings in such circumstances would constitute an abuse of the process of law and would unjustifiably affect their right to personal liberty guaranteed under Article 21 of the Constitution of India.

15. Mr. B.P. Sharma, Mr. Sanjay Agrawal and Mr. Chankresh Tiwari, learned counsel appearing for the respective petitioners, jointly submit that the impugned FIR and the consequential criminal proceedings are liable to be quashed at the threshold as the entire foundation of the prosecution is a commercial dispute concerning sale and purchase of goods and alleged outstanding payment. It is submitted that the Court, while exercising its jurisdiction under Article 226 of the Constitution of India, is not required to determine the correctness of the rival accounts or adjudicate upon the actual amount payable between the parties; rather, the limited question is whether the allegations contained in the FIR, taken at their face value and accepted in their entirety, disclose the commission of the offences alleged. According to learned counsel, even on such a prima facie test, the basic ingredients of the offences are conspicuously absent. They jointly submit that the documents placed on record, including the account statements, bank statements, invoices, correspondence, legal notices dated 15.03.2024 and replies dated

20.03.2024, unmistakably demonstrate that the relationship between the parties was commercial and transactional in nature. It is argued that the parties had admittedly entered into business transactions, goods had been supplied, payments had been made and accounts had been maintained. The subsequent emergence of a dispute regarding the outstanding balance cannot, without more, transform an otherwise lawful commercial transaction into an offence of cheating or any other criminal offence. According to learned counsel, there is a fundamental distinction between a mere failure to fulfil a contractual or monetary obligation and an act committed with dishonest intention from the very inception. In the present case, there is no allegation or material demonstrating such dishonest intention at the inception of the transactions.

16. Learned counsel further submit that the essential distinction between a civil dispute and a criminal offence has repeatedly been emphasized by the Hon’ble Supreme Court. It is argued that the mere availability of a civil remedy does not, by itself, bar criminal prosecution where the ingredients of a criminal offence are otherwise disclosed; however, equally well settled is the principle that where the allegations, even if accepted as true, essentially disclose a civil/commercial dispute and fail to satisfy the ingredients of the alleged criminal offence, the criminal proceedings cannot be permitted to continue merely because the complainant seeks a more coercive mechanism for recovery of money. According to learned counsel, the present case falls squarely within the latter category, as the entire dispute revolves around the alleged outstanding amount arising from sale and purchase transactions.

17. In support of the aforesaid submissions, learned counsel place reliance upon the judgment of the Hon’ble Supreme Court in ***State of Haryana v. Bhajan Lal, reported in 1992 Supp (1) SCC 335,*** particularly the principles enumerated therein regarding the circumstances in which the extraordinary jurisdiction of the High Court may be exercised to prevent abuse of the process of law. It is submitted that the present case falls within the categories where the allegations made in the FIR, even if taken at their face value and accepted in their entirety, do not prima facie constitute the alleged offence and where the criminal proceeding is manifestly attended with mala fides and/or has been instituted with an ulterior motive for wreaking vengeance or exerting pressure upon the accused.

18. Learned counsel also rely upon the judgment of the Hon’ble Supreme Court in ***Indian Oil Corporation v. NEPC India Ltd., (2006) 6 SCC 736***, submitting that the Hon’ble Supreme Court has deprecated the growing tendency to convert purely civil disputes arising out of commercial or contractual transactions into criminal cases. It is submitted that criminal law cannot be permitted to become a tool for settling scores in commercial disputes and that the fact that a transaction is commercial or contractual does not automatically immunize it from criminal law, but the Court must examine whether the allegations actually disclose the ingredients of a criminal offence.

According to learned counsel, applying the said test to the present case, the FIR merely narrates commercial transactions and non-payment of alleged dues and does not disclose the necessary ingredients of cheating or conspiracy.

19. Strong reliance has also been placed upon the recent judgment of the Hon'ble Supreme Court in ***Anukul Singh v. State of Uttar Pradesh & Anr., reported as 2025 INSC 1153***. Learned counsel submit that in the said case the Hon'ble Supreme Court reiterated the settled principle that criminal law cannot be employed as a tool to settle scores in commercial or contractual matters and that disputes essentially concerning repayment of money and execution of documents, in the absence of the essential ingredients of cheating or forgery, remain civil in character. It is submitted that the Hon'ble Supreme Court has once again cautioned against the misuse of the criminal process for exerting pressure in disputes which essentially concern monetary claims and contractual/business obligations. Learned counsel contend that the factual matrix of the present case is even stronger inasmuch as the documents relied upon by the petitioners demonstrate the existence of actual commercial transactions between the parties.

20. Learned counsel next place reliance upon the judgment of the Hon'ble Supreme Court in ***Vinod Natesan v. State of Kerala, reported in (2019) 2 SCC 401***, to contend that where the allegations in the FIR do not satisfy the ingredients of the offences alleged and the dispute between the parties is, at the most, civil in nature, continuation of criminal proceedings amounts to an abuse of the process of law. It is submitted that mere non-payment of an amount allegedly due under an agreement, without any allegation or material indicating fraudulent intention from the inception, cannot constitute cheating merely because the complainant chooses to describe the transaction in criminal terms. Learned counsel submit that the ratio of ***Vinod Natesan*** (supra) squarely applies to the present case.

21. Learned counsel further rely upon ***Vineet Kumar v. State of Uttar Pradesh, reported in (2017) 13 SCC 369,*** and submit that the inherent jurisdiction of the High Court is intended to prevent abuse of the process of the Court and to secure the ends of justice. Referring to the principles reiterated therein, it is submitted that the power of the High Court is not confined merely to situations where the prosecution is demonstrably impossible, but extends to cases where permitting the criminal proceeding to continue would itself result in abuse of the process of law. Learned counsel emphasize the observations of the Hon'ble Supreme Court that criminal proceedings ought not to be permitted to degenerate into a weapon of harassment or persecution and that the ends of justice are higher than the ends of mere law.

22. Learned counsel have also relied upon ***Inder Mohan Goswami v. State of Uttaranchal, AIR 2008 SC 251***, and ***Ganga Dhar Kalita v. State of Assam, (2015) 9 SCC 647***, to submit that the criminal process cannot be permitted to be used for private vendetta, harassment or exerting pressure in disputes which are essentially civil in nature. It is contended that where the predominant object behind initiating criminal proceedings is to compel the opposite party to settle a monetary or commercial dispute, the continuation of such prosecution would defeat the very purpose of the criminal justice system.

23. Learned counsel have further placed reliance upon the recent decisions of the Hon'ble Supreme Court, including ***Rikhab Birani v. State of Uttar Pradesh, 2025 SCC OnLine SC 823***, and ***Sharif Ahmed v. State of U.P., 2024 SCC OnLine SC 726***, to submit that the principles governing exercise of jurisdiction for quashing criminal proceedings continue to apply where the criminal prosecution is founded upon allegations which, even if accepted in their entirety, do not constitute the offence alleged, or where the prosecution is demonstrably motivated by an ulterior purpose. According to learned counsel, these decisions reaffirm that the High Court must intervene where the continuation of criminal proceedings would amount to abuse of the process of law rather than permitting the accused to undergo the ordeal of a criminal trial in a matter which is fundamentally civil in character.

24. Learned counsel lastly submit that, so far as the allegation of conspiracy/common intention is concerned, the FIR contains no specific allegation disclosing any prior meeting of minds, concerted action or intentional participation on the part of the respective petitioners. It is argued that criminal conspiracy cannot be inferred merely from the existence of a business relationship or from the fact that different persons are associated with commercial entities. The allegation of conspiracy must have a factual foundation demonstrating the meeting of minds to commit an unlawful act. According to learned counsel, in the absence of such foundational facts, the petitioners cannot be subjected to criminal prosecution merely on the basis of omnibus allegations. It is therefore submitted that the present petitions fall within the parameters laid down in ***Bhajan Lal*** (supra) and the subsequent judgments of the Hon'ble Supreme Court, and that continuation of the impugned criminal proceedings would amount to abuse of the process of Court, misuse of criminal law for recovery of a commercial debt and an unwarranted invasion upon the petitioners' right to personal liberty under Article 21 of the Constitution of India. On these submissions, learned counsel jointly pray that FIR No.464/2025 dated 24.09.2025 and all consequential proceedings arising therefrom, insofar as they relate to the respective petitioners, be quashed.

25. On the other hand, Mr. Shaleen Singh Baghel, learned Government Advocate, appearing for the State in all the writ petitions, opposes the submissions advanced by learned counsel for the respective petitioners and submits that the present batch of petitions, seeking quashment of FIR No.464/2025 dated 24.09.2025 registered at Police Station Civil Lines, Raipur, under Sections 316 and 3(5) of the Bharatiya Nyaya Sanhita, 2023, is premature and does not warrant interference by this Court at the stage of investigation. It is submitted that the FIR has been registered on the basis of a complaint made by respondent No.2, Santosh Rai, who is the authorised signatory of M/s S.G. Mart Limited, Raipur, and the allegations contained therein disclose commission of cognizable offences. According to learned State counsel, the FIR cannot be examined in isolation by selectively referring to the commercial nature of the transactions, as the allegations, when read as a whole, disclose that the accused persons obtained steel products from the complainant's firm on the assurance that payment would be made within 7 to 10 days of delivery, but thereafter failed to make the requisite payment and, according to the prosecution, dishonestly misappropriated the amount/value of the goods.

26. Learned Government Advocate further submits that the FIR contains specific allegations regarding the manner in which the business transactions were conducted between the complainant's firm and the accused persons. It is submitted that the FIR refers to the role of different persons involved in facilitating the transactions, including the proprietor of the concerned firms and the persons who acted as representatives/agents on their behalf. According to the prosecution, the present petitioners were not merely parties to an ordinary business transaction but were involved in the transactions pursuant to a common intention, and the allegation is that the steel products, including billets, were obtained from the complainant's firm upon assurances regarding payment and that the consideration was thereafter not paid. Learned counsel submits that, at the stage of investigation, these allegations cannot be discarded merely on the basis of the defence set up by the petitioners or on the ground that the parties had commercial dealings with each other. Whether the petitioners had dishonest intention, whether the goods were obtained pursuant to a fraudulent design, what was the actual outstanding liability and what role was played by each accused are all matters which require investigation on the basis of oral as well as documentary evidence.

27. It is next submitted that the investigation in the matter is still in progress and out of the seven accused persons, two accused persons, namely, Parvinder Ahluwalia and Kushal Dudeja, have already been arrested. Learned Government Advocate submits that the arrest of the co-accused persons and the continuing investigation demonstrate that the investigating agency is collecting material concerning the transactions, the role of the respective accused persons and the alleged financial dealings between the parties. It is therefore contended that, at this nascent stage, when the complete material is not before the Court, this Court ought not to undertake an appreciation of the defence documents or enter into disputed questions relating to accounts, payments, agency, the actual outstanding amount or the alleged intention of the accused persons. It is submitted that the petitioners will have adequate opportunity to place their defence before the competent criminal Court in accordance with law, if the investigation ultimately culminates in filing of the final report/charge-sheet.

28. Learned Government Advocate places reliance upon the principles laid down by the Hon'ble Supreme Court in ***Bhajan Lal***

(supra), and submits that although the High Court possesses wide powers under Article 226 of the Constitution of India and Section 482 of the Code of Criminal Procedure, such powers are extraordinary in nature and are required to be exercised sparingly, with circumspection and in exceptional cases. It is submitted that the present case does not fall within any of the categories illustratively enumerated in ***Bhajan Lal*** (supra). According to learned counsel, the allegations in the FIR, if taken at their face value, disclose cognizable offences and therefore the investigating agency is statutorily entitled to investigate the matter. The Court, at this stage, cannot conduct a mini-trial or examine the reliability, genuineness or sufficiency of the evidence proposed to be collected during investigation.

29. Learned Government Advocate also places reliance upon the judgment of the Hon'ble Supreme Court in ***Neeharika Infrastructure Pvt. Ltd. v. State of Maharashtra, (2021) 19 SCC 401***, and submits that the police have a statutory right and duty to investigate a cognizable offence and that ordinarily the Courts should not thwart a legitimate investigation at its inception. It is contended that the first information report is not expected to constitute an encyclopaedia containing every minute detail of the prosecution case and that the Court, while examining a prayer for quashing, is required primarily to ascertain whether the allegations disclose commission of a cognizable offence. Learned counsel submits that the present case involves disputed questions of fact and allegations concerning commercial transactions, receipt of goods, assurances regarding payment, alleged dishonest conduct and the respective roles of the accused persons, all of which require investigation. On these grounds, learned Government Advocate submits that no exceptional circumstance has been demonstrated warranting exercise of the extraordinary jurisdiction of this Court and, therefore, all the petitions deserve to be dismissed.

30. Mr. Sunil Otwani, learned Senior Counsel, assisted by Mr. Vikas Dubey, learned counsel appearing for respondent No.2 in all the writ petitions, submits that the petitions are misconceived, premature and deserve to be dismissed as the petitioners have invoked the extraordinary jurisdiction of this Court at a stage when the investigation into serious cognizable offences is still underway. It is submitted that the petitioners are essentially seeking a pre-trial adjudication of disputed questions of fact by inviting this Court to examine the defence version, the account statements, the nature of the commercial transactions and the alleged liability between the parties. According to learned Senior Counsel, such an exercise is impermissible in proceedings for quashing of an FIR, particularly when the allegations in the FIR, taken at their face value, disclose commission of cognizable offences and the investigating agency is yet to complete the investigation.

31. Learned Senior Counsel submits that the allegations cannot be characterised as a mere dispute relating to recovery of money. According to him, the FIR discloses a specific and coordinated course of conduct on the part of the accused persons, including the petitioners, pursuant to which meetings were allegedly held, representations were made regarding the proposed purchase of MS billets, assurances were given that payment would be made within 7 to 10 days of delivery, and goods valued at approximately Rs.4,10,94,470/- were thereafter supplied. It is submitted that despite repeated demands and reminders, the accused persons failed to discharge the liability and, according to the complainant, subsequently entered into a tripartite arrangement and issued post-dated cheques despite allegedly knowing that the requisite funds were not available. Learned Senior Counsel contends that these allegations, viewed cumulatively, disclose more than a simple case of non-payment and raise questions regarding dishonest intention, criminal breach of trust, forgery and common intention/conspiracy, which necessarily require investigation and cannot be conclusively determined at the threshold.

32. Learned Senior Counsel further submits that the petitioners cannot seek quashing merely by asserting that the transaction was commercial or that the complainant has an alternative civil remedy. It is submitted that availability of a civil remedy does not operate as a bar to criminal prosecution where the factual allegations also disclose the ingredients of a criminal offence. Reliance is placed upon the judgment of the Hon'ble Supreme Court in ***K. Jagdish v. Udaya Kumar G.S., reported in (2020) 14 SCC 552,*** to contend that the nature of the transaction alone is not determinative and that the Court is required to examine whether the allegations disclose the necessary criminal intent and ingredients of the offence. Learned Senior Counsel submits that the petitioners' attempt to portray the entire matter as a dispute concerning outstanding commercial dues overlooks the specific allegations regarding the manner in which the goods were allegedly procured and the subsequent conduct of the accused persons.

33. Learned Senior Counsel also submits that the principles governing exercise of the extraordinary jurisdiction under Article 226 of the Constitution of India and the inherent jurisdiction of the High Court require considerable self-restraint at the stage of investigation. Reliance is placed upon ***Bhajan Lal*** (supra), and ***Neeharika Infrastructure Pvt. Ltd.*** (supra), to submit that quashing of an FIR is an exceptional remedy and that the High Court ought not to undertake an enquiry into the reliability or genuineness of the allegations or conduct an assessment of the evidence which is still being collected by the investigating agency. It is submitted that the FIR is not an encyclopaedia of the entire prosecution case and the absence of minute particulars at the initial stage cannot itself be made a ground for quashing where the allegations, read as a whole, disclose cognizable offences.

34. Learned Senior Counsel lastly submits that substantial material has already been collected during investigation, including statements of persons acquainted with the transactions and documentary material, and therefore the petitioners cannot seek to terminate the proceedings by relying upon their own disputed defence. It is further submitted that the petitioners were granted interim protection from arrest by order dated 14.10.2025 subject to their cooperation with the investigation, but according to respondent No.2, the petitioners have not adequately cooperated despite notices issued by the investigating agency. Learned Senior Counsel therefore submits that the petitioners have failed to demonstrate any exceptional circumstance warranting interference under Article 226 of the Constitution of India. It is accordingly prayed that the petitions be dismissed and the interim protection granted to the petitioners be vacated, leaving the investigating agency to complete the investigation in accordance with law.

35. Reliance has been placed upon the judgment rendered by the Hon'ble Suprme Court in ***S.N. Vijayalakshmi and others v. State of Karnataka and another, 2025 SCC OnLine SC 1575*** as well as the order passed by this Court in ***Nagesh Naidu v. State of Chhattisgarh and anohter, 2026:CGHC:27018-DB*** to buttress his submissions.

36. We have heard learned counsel appearing for the respective parties at considerable length and have carefully considered their rival submissions, the pleadings placed on record, the allegations contained in the impugned FIR, the documents relied upon by the respective parties and the material available before this Court. We have also bestowed our anxious and thoughtful consideration to the legal principles governing the exercise of extraordinary jurisdiction under Article 226 of the Constitution of India in matters seeking quashment of an FIR and consequential criminal proceedings. Since the petitions arise out of the same FIR and involve substantially identical questions of fact and law, the rival contentions have been examined in their proper perspective, keeping in view the stage of the proceedings, the nature of the allegations and the documents forming part of the record.

37. Before adverting to the rival contentions on merits, it would be apposite to reiterate that the jurisdiction of this Court under Article 226 of the Constitution of India, in a matter seeking quashing of an FIR, is undoubtedly extraordinary and is required to be exercised with great care and circumspection. At the same time, the extraordinary nature of the jurisdiction cannot be understood to mean that the High Court is powerless to interdict a criminal proceeding even in a case where the allegations, taken at their face value, fail to disclose the essential ingredients of the offence alleged, or where the criminal process is demonstrably being employed for an impermissible purpose. The power exists precisely to prevent abuse of the process of law and to secure the ends of justice. The principles enunciated in ***Bhajan Lal*** (supra) continue to govern the exercise of such jurisdiction, subject to the subsequent exposition of law by the Hon'ble Supreme Court.

38. The principal question which, therefore, arises for consideration in the present batch of petitions is not whether the complainant has a monetary claim against the petitioners, nor whether some amount may in fact be outstanding between the parties. The question is a narrower but fundamental one: whether the allegations contained in FIR No.464/2025, even if taken at their face value and accepted in their entirety, disclose the essential ingredients of the offences for which the criminal law has been set in motion against the petitioners, or whether the criminal prosecution is, in substance, an attempt to give a criminal colour to a commercial dispute concerning sale and purchase of steel products and recovery of the alleged outstanding consideration.

39. From a careful consideration of the FIR and the material placed on record, it is not in dispute that the genesis of the dispute lies in commercial transactions between M/s S.G. Mart Ltd. and the firms associated with the petitioners. The complainant itself asserts that steel products, including MS billets, were supplied to the concerned firms and that payment was to be made within a stipulated period. The petitioners, on the other hand, rely upon account statements, bank transactions, invoices, correspondence, reminders and the legal notices dated 15.03.2024 and their replies dated 20.03.2024 to demonstrate the existence of continuing commercial dealings between the parties. Thus, the foundational relationship between the parties is admittedly one arising out of business transactions. The dispute, therefore, is not one where the petitioners are alleged to have obtained property under a transaction which was from its inception wholly fictitious or non-existent. On the contrary, the existence of the business relationship, supply of goods and corresponding financial dealings is itself apparent from the material placed before this Court.

40. The distinction between a mere breach of a commercial obligation and the commission of a criminal offence has repeatedly engaged the attention of the Hon'ble Supreme Court. The mere fact that a monetary liability remains unpaid does not, by itself, constitute criminal breach of trust or cheating. Criminality cannot be inferred merely because a commercial transaction subsequently results in a dispute concerning payment. There has to be a factual foundation for the ingredients of the particular offence alleged. In ***M/s. Indian Oil Corporation Ltd.*** (supra), the Hon'ble Supreme Court specifically deprecated the tendency of converting purely civil disputes arising out of commercial or contractual transactions into criminal cases and cautioned that criminal law cannot be used as a tool for settling scores or exerting pressure for recovery of civil claims. The Court, however, also clarified that a commercial transaction may, in an appropriate case, give rise to both civil and criminal consequences; the determinative consideration is whether the allegations disclose the ingredients of a criminal offence.

41. The aforesaid principle has received renewed emphasis in the recent judgment of the Hon'ble Supreme Court in ***Rikhab Birani*** (supra). The Hon'ble Supreme Court, while considering allegations arising from an agreement and alleged non-payment, noticed with concern that notwithstanding the settled distinction between a civil wrong and a criminal offence, cases continue to reach the Court where an FIR is registered, investigation is conducted and even charge-sheet is filed in disputes which essentially remain civil. The Court emphasized that breach of contractual terms, non-payment of money or violation of contractual obligations cannot automatically be converted into criminal offences unless the ingredients of the alleged offence are independently satisfied.

42. The decision in ***Rikhab Birani*** (supra) is particularly instructive for the present controversy because the Hon'ble Supreme Court not only reiterated the distinction between civil liability and criminality but also ultimately quashed the criminal proceedings where the allegations did not furnish the requisite material to establish the essential ingredients of the offences alleged. The Court further cautioned that the prevalent impression that civil remedies are time-consuming and, therefore, criminal process may be employed to apply pressure upon a debtor or contracting party is wholly impermissible. Criminal procedure cannot be converted into a mechanism for enforcing a monetary claim. The principle is of considerable relevance here because the record before us shows that the dispute between the parties had already acquired the character of a monetary and accounting dispute much prior to registration of the impugned FIR.

43. The principle has been reiterated even more recently in ***Anukul Singh*** (supra). In that case also, the Hon'ble Supreme Court examined the misuse of criminal proceedings in a dispute having essentially civil characteristics and reiterated that criminal law cannot be permitted to be used as a tool for settling civil disputes or for wreaking vengeance. The Supreme Court ultimately set aside the criminal proceedings after finding that the essential ingredients of the offences alleged were not prima facie made out. The said judgment is significant inasmuch as it reiterates that the width of the High Court's jurisdiction to prevent abuse of process remains available even where the criminal proceedings have progressed beyond the stage of registration of the FIR.

44. Coming to the specific offence alleged in the present case, namely, Section 316 of the Bharatiya Nyaya Sanhita, 2023, the provision substantially corresponds to the offence of criminal breach of trust under the erstwhile Section 405 of the Indian Penal Code. The foundational requirement of the offence is entrustment of property, or dominion over property, followed by dishonest misappropriation, conversion, use or disposal thereof in violation of the law or of any legal contract. Thus, entrustment or dominion over the property is not a mere technicality but an essential constituent of the offence. In the present case, the allegations, taken at their highest, disclose that steel products were sold and supplied by the complainant to the concerned firms pursuant to commercial transactions and that the consideration allegedly remained unpaid. There is a fundamental distinction between property being entrusted to a person and property being delivered to a purchaser pursuant to a contract of sale. Once goods are supplied pursuant to a commercial sale transaction, the failure to pay the sale consideration ordinarily gives rise to a claim for recovery of the price and other consequential civil remedies; it does not, without the requisite entrustment and dishonest misappropriation, automatically constitute criminal breach of trust.

45. The allegation that the petitioners received MS billets and thereafter did not make payment, therefore, cannot by itself satisfy the essential ingredient of entrustment necessary to constitute an offence under Section 316 of the BNS. The FIR does not disclose that the steel products were entrusted to the petitioners for being held in trust, dealt with for a particular purpose, or returned to the complainant. Rather, the prosecution case itself proceeds on the footing that the goods were supplied in the course of sale and purchase transactions and that the dispute arose because the agreed consideration was allegedly not paid. Such allegations, even if accepted in their entirety, principally disclose a dispute regarding performance of a commercial obligation and recovery of the alleged price of goods supplied.

46. The subsequent allegation that a tripartite agreement was entered into and post-dated cheques were furnished does not materially alter the character of the original transaction. Indeed, the existence of such subsequent arrangements, if established, prima facie demonstrates that the parties were attempting to regulate, restructure or secure the outstanding commercial liability. The mere fact that such cheques were allegedly dishonoured or that payment was not ultimately made cannot, in the absence of further foundational facts, retrospectively establish that the goods were initially obtained pursuant to a dishonest criminal design. Subsequent conduct may, in an appropriate case, constitute relevant evidence of prior intention; however, the Court cannot infer such intention merely from the fact of subsequent default, particularly where the parties admittedly engaged in continuing commercial transactions and payments were made in the course thereof.

47. The question of dishonest intention is equally important. It is settled that, in cases founded upon cheating arising out of a commercial transaction, the dishonest or fraudulent intention must ordinarily exist at the inception of the transaction. A mere subsequent failure to honour a promise or contractual obligation does not, by itself, establish that the promise was made dishonestly at the very inception. In ***Vinod Natesan*** (supra), the Hon'ble Supreme Court upheld quashing where the allegations essentially concerned non-payment of amounts under an agreement and observed that mere non-payment of an amount due under an agreement, by itself, cannot constitute cheating or criminal breach of trust.

48. The same principle finds further support from ***M/s Indian Oil Corporation Ltd.*** (supra), ***Rikhab Birani*** (supra) and ***Anukul Singh*** (supra). The common thread running through these authorities is that the Court must guard against a situation where the mere existence of a commercial liability is used as the foundation for criminal prosecution. The criminal process cannot become a substitute for a civil suit for recovery of money. At the same time, the Court is not holding that every commercial dispute is immune from criminal law. Where a commercial transaction is accompanied by allegations which independently satisfy the ingredients of cheating, criminal breach of trust, forgery or other offences, the criminal law may legitimately be invoked. But the foundational facts necessary to constitute the particular offence must nevertheless be present.

49. Tested on the aforesaid principles, the impugned FIR does not disclose the essential ingredients of criminal breach of trust against the petitioners. The allegation of non-payment of the price of goods supplied pursuant to a commercial transaction is sought to be elevated into an allegation of criminal breach of trust, but the essential element of entrustment is conspicuously absent. The prosecution cannot bridge this foundational deficiency merely by describing the conduct of the petitioners as "misappropriation" or by employing expressions such as "dishonest intention" and "common intention". The substance of the allegations, rather than the nomenclature employed in the FIR, has to be examined.

50. So far as Section 3(5) of the BNS is concerned, the said provision embodies the principle of vicarious liability based upon common intention. The provision does not, by itself, constitute a substantive offence. It becomes relevant only when there is a substantive offence committed by several persons in furtherance of the common intention of all. Therefore, once the foundational substantive offence itself is not disclosed against the petitioners, the invocation of Section 3(5) cannot independently sustain the prosecution. Even otherwise, common intention cannot be inferred merely because several persons are connected with the same commercial transaction or because they are proprietors, representatives or agents of different business entities. There must be some factual foundation indicating a meeting of minds and participation in the commission of the substantive offence.

51. In the present case, the allegations regarding meetings allegedly held on 23.12.2023 and thereafter, the alleged assurance of payment within 7 to 10 days, and the subsequent non-payment have been relied upon by the complainant to infer common intention. However, even accepting those allegations in their entirety, they essentially establish negotiations and commercial dealings followed by alleged default in payment. There is no specific allegation in the FIR demonstrating the precise act of each petitioner pursuant to a pre-existing criminal design to commit criminal breach of trust. The mere assertion that the accused persons acted with a "common intention" cannot substitute the factual foundation required to establish such common intention.

52. We are conscious of the submission advanced by learned State counsel and learned Senior Counsel appearing for respondent No.2 that investigation is still in progress, that statements of certain persons have been recorded and that documentary material has been collected. We are also conscious of the well-settled principle that ordinarily the High Court should not interfere with investigation merely because the accused puts forward a defence or disputes the factual allegations. The decision of the Hon'ble Supreme Court in ***Neeharika Infrastructure Pvt. Ltd.*** (supra), undoubtedly emphasizes that quashing of an FIR is an exceptional power, that the police have a statutory right and duty to investigate cognizable offences and that the High Court should ordinarily refrain from conducting a mini-trial or assessing the reliability of the allegations at the investigation stage.

53. However, ***Neeharika Infrastructure Pvt. Ltd.*** (supra) cannot be read as laying down an absolute prohibition against quashing an FIR during investigation. The same judgment expressly recognizes the jurisdiction of the High Court to quash an FIR where the case falls within the parameters laid down in ***R.P. Kapur*** (supra) and ***Bhajan Lal*** (supra). The power is to be exercised sparingly, but sparingly does not mean never. Where the allegations, even if accepted in their entirety, fail to constitute the offence alleged, requiring the accused to undergo the entire process of criminal investigation and trial would itself amount to permitting abuse of the process of law. The Hon'ble Supreme Court in ***Vineet Kumar*** (supra) has emphasized that the inherent jurisdiction of the High Court exists to prevent abuse of process and to secure the ends of justice. The Court reiterated that a criminal proceeding should not be permitted to degenerate into a weapon of harassment or persecution. The extraordinary jurisdiction is intended to ensure that the criminal justice system is not itself converted into an instrument of oppression.

54. We are also unable to accept the submission that the petitioners must necessarily be relegated to the remedy of discharge before the Trial Court. The availability of a remedy of discharge does not constitute an absolute bar to the exercise of constitutional jurisdiction under Article 226 where the very institution or continuation of criminal proceedings is alleged to constitute abuse of process and the case falls within the well-recognized parameters for quashing. The jurisdiction of the High Court under Article 226 is not rendered otiose merely because a statutory remedy may subsequently become available. The question is whether, on the facts presented, interference is warranted in the interests of justice. In the present case, we have found that the allegations, taken at their face value, do not disclose the foundational ingredients of the principal offence alleged.

55. The contention regarding the petitioners' alleged criminal antecedents also does not persuade us to take a different view. The existence of a previous FIR against one of the petitioners cannot be treated as proof of guilt in the present case. Every criminal proceeding must stand on its own allegations and material. A previous FIR, unless it has culminated in a finding of guilt and is otherwise legally relevant, cannot be used to fill the missing ingredients of the offence in the present FIR. Likewise, the fact that certain co-accused persons have been arrested or that the investigating agency considers their custodial interrogation necessary cannot, by itself, determine the legality of the prosecution against the present petitioners. The criminal liability of each accused must be examined with reference to the allegations and material concerning that particular accused. The arrest of one person cannot furnish the missing ingredients of an offence against another. Nor can the mere fact that investigation has continued for a considerable period operate as a reason to sustain a prosecution which otherwise fails the basic threshold test prescribed for exercise of the High Court's jurisdiction.

56. We are also mindful of the submission that substantial documentary and oral evidence has allegedly been collected during investigation. However, the existence of evidence cannot cure the absence of the foundational ingredients of the offence where the very nature of the transaction disclosed in the FIR is one of sale and purchase of goods and the alleged criminality consists essentially of non-payment of the price. The question is not whether there is evidence that the petitioners did not pay the entire amount claimed by the complainant. There may well be such evidence. The question is whether such evidence, even if accepted, establishes the statutory ingredients of criminal breach of trust. In our considered view, it does not.

57. The subsequent judgment of the Hon'ble Supreme Court in ***Mala Choudhary & Another v. State of Telangana & Another, Criminal Appeal No.3052 of 2025, arising out of SLP (Crl.) No.10748 of 2023, decided on 18.07.2025, reported as 2025 INSC 870***, is also instructive. The Hon'ble Supreme Court, while examining criminal proceedings arising from a dispute which essentially had a civil complexion, reiterated the impermissibility of using criminal proceedings to exert pressure in a civil dispute and quashed the FIR and consequential proceedings where the criminal allegations were found to be an abuse of the process of law.

58. The decisions relied upon by the respondents, namely, ***Bhajan Lal*** (supra) and ***Neeharika Infrastructure Pvt. Ltd.*** (supra), therefore, do not advance the respondents' case to the extent contended. In fact, ***Bhajan Lal*** (supra) itself furnishes the parameters for interference. The present case falls within the first category enumerated therein, namely, where the allegations made in the FIR, even if taken at their face value and accepted in their entirety, do not prima facie constitute the offence alleged. The case also substantially attracts the seventh category where the criminal proceeding is alleged to have been initiated with an ulterior motive and where the criminal machinery is sought to be employed for purposes other than legitimate prosecution of an offence. The Court is not required to establish mala fides as an independent fact where the substantive allegations themselves fail to disclose the offence; however, the manner in which the criminal process has been invoked, following a prolonged commercial dispute and demands for payment, reinforces the conclusion that the criminal process cannot be allowed to continue.

59. It is also significant that the complainant had itself issued legal notices dated 15.03.2024 demanding payment of the alleged outstanding amount, accompanied by bills and transaction details, and the petitioners had responded to the same on 20.03.2024. These circumstances demonstrate that the dispute regarding liability and payment had already crystallized as a monetary/commercial dispute between the parties. The complainant was not without remedy. It could have instituted appropriate civil proceedings for recovery of the alleged amount, rendition/settlement of accounts, interest or other consequential reliefs in accordance with law. The existence of such civil remedies is not, by itself, a ground for quashing a genuine criminal case; but where the allegations themselves do not disclose the ingredients of the criminal offence.

60. In ***M/s. Indian Oil Corporation*** (supra), the Hon'ble Supreme Court cautioned that there is a growing tendency in business circles to convert purely civil disputes into criminal cases because of an impression that criminal law provides a quicker and more coercive method of securing settlement. The Court made it clear that efforts to settle civil disputes and claims which do not involve any criminal offence by applying pressure through criminal prosecution must be deprecated and discouraged. The principle applies with full force to the present case, where the alleged loss is quantified precisely as the value of steel products supplied and the central grievance is that the corresponding consideration has not been paid.

61. We are not oblivious to the magnitude of the amount claimed by respondent No.2, namely, approximately Rs.4,10,94,470/-. However, the magnitude of the monetary claim cannot determine the existence of a criminal offence. A large civil liability does not become a criminal offence merely because the amount involved is substantial. Conversely, the Court cannot ignore criminality merely because the dispute is commercial. The correct approach is to examine the ingredients of the offence. On that test, the present prosecution fails at the threshold.

62. The reliance placed by respondent No.2 upon ***K. Jagdish*** (supra), for the proposition that availability of a civil remedy does not bar criminal prosecution, is unexceptionable as a statement of law. However, that principle does not mean that every commercial dispute is liable to be tried criminally. The Hon'ble Supreme Court has consistently maintained that the decisive consideration is whether the allegations disclose the ingredients of a criminal offence. In the present case, the difficulty faced by the respondents is not merely the existence of an alternative civil remedy; it is the absence of the foundational ingredients necessary to constitute the offence under Section 316 of the BNS.

63. We therefore find considerable force in the submission of learned counsel for the petitioners that the criminal proceedings have been initiated in circumstances where the dispute is predominantly, if not entirely, founded upon the alleged non-payment of the price of goods supplied in commercial transactions. The allegations of "dishonest intention", "misappropriation" and "common intention", without the factual substratum necessary to establish entrustment, dishonest conversion or a pre-existing meeting of minds to commit a criminal offence, cannot sustain the prosecution merely by virtue of the labels employed in the FIR.

64. We make it clear that this Court is not adjudicating upon the accounts between the parties, nor is it recording any finding that the amount claimed by respondent No.2 is not payable. We are also not expressing any opinion upon any civil claim which respondent No.2 may otherwise be entitled to pursue in accordance with law. The parties shall remain free to avail such civil remedies as may be available to them, and any competent civil forum shall decide such claim independently on the basis of the evidence produced before it. The present order is confined to the question whether the criminal prosecution launched against the petitioners on the allegations contained in FIR No.464/2025 can legitimately be permitted to continue.

65. Having regard to the entire conspectus of facts, the nature of the transactions, the correspondence exchanged between the parties, the legal notices preceding the FIR, the absence of the essential element of entrustment, the absence of specific material demonstrating dishonest intention at the inception of the commercial dealings, and the absence of a sufficient factual foundation for fastening criminal liability upon the petitioners with the aid of Section 3(5) of the BNS, we are of the considered view that continuation of the impugned criminal proceedings against the petitioners would amount to abuse of the process of law. The extraordinary jurisdiction of this Court is not intended to shield persons against legitimate investigation or prosecution. Equally, it cannot be permitted to become a silent spectator where the criminal process itself is being used in a manner for which the law does not sanction it. The liberty of a citizen cannot be subjected to the ordeal of a criminal prosecution merely because a commercial creditor chooses to invoke the criminal machinery in place of the ordinary remedies available for adjudication and recovery of a monetary claim. The constitutional obligation of this Court under Article 21 is not exhausted merely by ensuring a fair trial; it also encompasses protection against arbitrary and unwarranted deprivation of personal liberty through proceedings which, on their face, do not disclose the offence alleged. The principles laid down in ***Bhajan Lal*** (supra), ***Indian Oil Corporation Ltd.*** (supra), ***Vinod Natesan*** (supra), ***Vineet Kumar*** (supra), ***Rikhab Birani*** (supra), ***Mala Choudhary*** (supra) and ***Anukul Singh*** (supra), read harmoniously with the caution administered in ***Neeharika Infrastructure Pvt. Ltd.*** (supra), lead us to the conclusion that the present is one of those exceptional cases where interference is not only permissible but necessary to prevent abuse of the process of law and to secure the ends of justice.

66. Consequently, all the writ petitions, namely, W.P.(Cr.) No.539 of 2025, W.P.(Cr.) No.552 of 2025, W.P.(Cr.) No.580 of 2025 and W.P.(Cr.) No.616 of 2025, are **allowed**. FIR No.464/2025 dated 24.09.2025 registered at Police Station Civil Lines, Raipur, and all consequential criminal proceedings arising therefrom, insofar as they relate to the present petitioners, are hereby quashed. Since the FIR itself is being quashed, any consequential proceedings, including investigation, arrest proceedings, charge-sheet, if any, and orders passed pursuant thereto, insofar as they concern the petitioners in these writ petitions, shall stand quashed.

67. Needless to say, this Court has not adjudicated upon the civil rights, accounts, monetary claims or counter-claims of the parties. Respondent No.2 shall remain at liberty to avail such remedies as may be available to it under civil law for recovery of any amount which it claims to be lawfully due and payable. If any such proceedings are instituted, the competent Court shall decide the same uninfluenced by any observation contained in the present order, as the observations herein are confined strictly to examining the sustainability of the criminal prosecution.

68. In view of the aforesaid, any interim order passed in favour of the petitioners during the pendency of these petitions shall stand merged with the final order and shall no longer survive separately.

69. Any pending interlocutory application(s), if any, shall also stand disposed of.

70. There shall be no order as to costs.

Sd/-	**Sd/-**
(Ravindra Kumar Agrawal)	**(Ramesh Sinha)**
Judge	**Chief Justice**

Anu