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JUDGMENT DATED: 30/09/2026

NEUTRAL CITATION
2026:GUJHC:62714

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/CRIMINAL MISC.APPLICATION (FOR QUASHING & SET ASIDE FIR/ORDER) NO. 8120 of 2018

With
R/CRIMINAL MISC.APPLICATION NO. 8635 of 2018
With
R/CRIMINAL MISC.APPLICATION NO. 8095 of 2018
With
R/CRIMINAL MISC.APPLICATION NO. 8586 of 2018
With
R/CRIMINAL MISC.APPLICATION NO. 9143 of 2018
With
R/CRIMINAL MISC.APPLICATION NO. 9074 of 2018

FOR APPROVAL AND SIGNATURE:

HONOURABLE MR. JUSTICE P. M. RAVAL

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Approved for Reporting	Yes	No
		NO

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MANISH GIRISHCHANDRA SHAH
Versus
STATE OF GUJARAT & ANR.

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Appearance:

IN CRIMINAL MISC.APLN. Nos. 8120 of 2018, 8635 of 2018 &
IN CRIMINAL MISC. APPLN. Nos.8095 of 2018 and 8586 of 2018

MR. RAHEEL S. PATEL, ADVOCATE with
MS. SHIVANI GADHAVI, ADVOCATE for
GANDHI LAW ASSOCIATES(12275) for the Applicant(s) No. 1
MR SATYAM Y CHHAYA(3242) for the Respondent(s) No. 2
MR ROHAN SHAH APP for the Respondent(s) No. 1

IN CRIMINAL MISC.APLN. Nos. 9143 of 2018 & 9074 of 2018
VISHWA M. SHAH ADVOCATE for
NANAVATI ASSOCIATES for the Applicant(s) No. 1
MR SATYAM Y CHHAYA(3242) for the Respondent(s) No. 2
MR ROHAN SHAH APP for the Respondent(s) No. 1

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CORAM:**HONOURABLE MR.JUSTICE P. M. RAVAL**

Date : 30/09/2026

ORAL JUDGMENT

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PART I: INTRODUCTION:

1. The present batch of applications has been preferred under the inherent powers of this Court enshrined under Section 482 of the Code of Criminal Procedure, 1973 (hereinafter referred to as "the Code" or "Cr.P.C."). The applicants herein seek the invocation of this Court's inherent jurisdiction to quash and set aside two distinct First Information Reports (FIRs) and all consequential, incidental, and subsequent criminal proceedings arising therefrom.

2. The impugned FIRs, intrinsically interwoven in their commercial origin but filed by two separate complainants (who are brothers running distinct entities), are detailed as under: (a) **FIR No. C.R. I-54 of 2018**, registered at Mansa Police Station, Gandhinagar on 12.04.2018, encompassing alleged offences committed during the period of **28.07.2016 to 02.09.2016**, for offences punishable under Sections 406, 420, and 114 of the Indian Penal Code, 1860 (IPC). (b) **FIR No. C.R. I-57 of 2018**, registered at Mansa Police Station, Gandhinagar on 16.04.2018, encompassing alleged offences committed during the period of **06.07.2016 to 07.08.2016**, invoking identical penal provisions, i.e., Sections 406, 420, and 114 of the IPC.

3. Rule. Mr. Rohan Shah, learned Additional Public Prosecutor, waived service of notice of Rule on behalf of the Respondent No.1 – State of Gujarat. Mr. Satyam Chhaya, learned advocate, waives service of notice of Rule on behalf of the respective original complainants in all applications.

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4. Given the parity of the legal issues involved, the identical nature of the commercial disputes, and the overarching role attributed to the present applicants, all matters were clubbed together, heard analogously with the consent of the learned advocates for the respective parties, and are being decided by this common judgment.

PART II: THE FACTUAL MATRIX OF THE IMPUGNED FIRS:

5. To appreciate the controversy and the subsequent legal analysis, it is imperative to dissect the allegations levied in both the First Information Reports. The gravamen of the charges fundamentally revolves around a buyer-seller relationship that purportedly degenerated into a systemic default.

A. Facts of FIR dated 12.04.2018 (C.R. I-54 of 2018):

6. The narrative set forth by the complainant, Rajeshbhai Lekhrajbhai Shah, reveals that he is the proprietor of a firm named 'Jayprabhu Trading Company', situated at the New Market Yard, Mansa. The primary commercial undertaking of this firm is the procurement and sale of agricultural commodities, prominently maize, wheat, sugar, and cotton.

7. It is alleged that approximately three years prior to the lodging of the FIR, the complainant was introduced to one of the applicants i.e. Mr.Amolbhai Shripalbhai Sheth, Managing Director of 'Anil Limited' and 'Anil Mines and Minerals Ltd.', alongside their Purchase Manager, Mr.Harsh Zaveri. The

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business model of the accused companies involved procuring maize in bulk for the manufacturing of starch. The FIR narrates that business relations were forged on the anvil of trust, leading the complainant to open a ledger account for Anil Limited. Regular bulk orders were placed through brokers (Mahalakshmi Canvas and Jalaram Canvas).

8. The complainant avers that initially, the business ran smoothly, engendering deep trust. Subsequently, against the supply of maize, an outstanding due of Rs. 1,33,83,350/- crystalized against the accused companies. It is alleged that 30 post-dated cheques (PDCs) were issued between 28.07.2016 and 02.09.2016 to secure this amount. These cheques bore the signatures of authorized signatories, namely Visad Ashok Jagasheth and Jayraj Harishchandra Pednekar.

9. The core of the alleged deception is that the complainant was consistently instructed by the accused individuals *not* to deposit these cheques in the bank due to purported temporary financial restructuring. Trusting these representations, the complainant withheld presentation. Once the validity period (three months) expired, the complainant sought re-validation of the instruments. The dates were allegedly altered by the accused, but no validating countersignatures were affixed, rendering the cheques legally sterile.

10. Following adverse media reports in the 'Sandesh' daily regarding widespread corporate defaults by Anil Limited, the complainant realized he had been duped. The FIR was thus filed against 12 individuals, arraying the present applicants,

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designating as a "Director" who, in criminal conspiracy with the others, procured goods on credit with a pre-meditated intention to cheat.

B. Facts of FIR dated 16.04.2018 (C.R. I-57 of 2018):

11. The companion FIR mirrors the *modus operandi* alleged in the first. The complainant herein, Tanusukhbhai Lekhrajbhai Maheshwari (brother of Rajeshbhai), runs 'Ganesh Trading' in the same market yard. He too was inducted into a business relationship with the accused companies by Amolbhai Sheth and Harsh Zaveri for the supply of maize.

12. Between 06.07.2016 and 07.08.2016, Ganesh Trading allegedly supplied maize worth Rs. 30,78,437/-. Against these supplies (documented via bills nos. 914, 915, 116, 917, 932, 942, and 834), 7 cheques drawn on Punjab National Bank were issued. Parallel to the events in the first FIR, the complainant was instructed by the Managing Director not to present the cheques. The cheques ultimately expired, were altered without validating signatures, and were rendered useless.

13. Consequently, FIR No. 57 of 2018 was registered, again implicating 12 individuals, including the present applicants based on the general assertion of their capacity as a director involved in the overarching conspiracy to misappropriate goods and funds.

PART III: SUBMISSIONS ON BEHALF OF THE

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APPLICANTS:

14. Vishwa M. Shah, learned advocate for Nanavati Associates and Mr.Raheel Patel, learned advocate for Gandhi Law Associates appearing in respective matters for the applicants, have launched a multipronged assault on the sustainability of the FIRs. The submissions can be broadly categorized as follows:

15. Severance of Corporate Ties (The Chronological Impossibility):

15.1 The foremost and most robust submission advanced is that applicant Manish Girishchandra Shah was completely severed from the affairs, management, and control of Anil Limited long before the transactions in question even commenced since he was appointed on 06.10.2016 while he resigned on 17.10.2016 whereas Applicant Kamal Ramesh Sheth was appointed as an independent Non-executive Director and resigned on 31.01.2017. It is submitted, backed by incontrovertible statutory records, that the applicants formally tendered their resignation from the Board of Directors on the different period of time. Despite these facts even if the averments in the FIRs are taken on the face of it do not disclose the particular role attributed to the applicants which may connect the applicants with commission of offence and, therefore, resignation before or after filing of the FIRs would render said FIRs as an abuse of process of law and, therefore, would argue that both the FIRs are required to be quashed and set aside.

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16. Learned advocate emphasized that this resignation was not merely an internal, unrecorded communication but was formally accepted by the Board of Directors on the same day and conclusively registered in the public domain via Form DIR-11/DIR-12 under the Companies Act, 2013. He argues that since the offences in both FIRs occurred between July and September 2016, any *mens rea*, active connivance, or fraudulent inducement to him is not only legally impermissible but physically impossible. However, learned advocate fairly concedes that in one of the applications i.e. filed by applicant Manish Girishchandra Shah, in support of the date of his appointment and resignation, the applicant has annexed the DIR-12/DIR-11 of some other person viz. Visad Ashok Jagasheth and, therefore, this contention regarding resignation post filing of the FIRs cannot be considered, whereas Applicant Kamal Ramesh Sheth has relied on an annexure which reflects Additional Independent Director namely Shalibhadra Mahendrabhai Sheth where as Applicant is Kamal Ramesh Sheth who has resigned as a director on 31.01.2017. Therefore, contention with regards to these two Applicants not working as Directors at the time of lodging of the FIRs cannot be considered and are rejected at the threshold in view of the factual aspects placed on record by way of documents by these two Applicants.

17. Absence of Specific Overt Act: It was further heavily canvassed that the FIRs, even if read akin to a gospel truth, do not attribute a single, isolated, or specific overt act to the present applicants.

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18. Unexplained Delay and Civil Cloak: Learned advocates for the applicants drew the Court's attention to the glaring and unexplained delay in lodging the FIRs. The transactions failed in late 2016, yet the FIRs were lodged in April 2018—an afterthought spanning nearly a year and a half. This delay, he argues, was utilized to weaponize the criminal justice system to bypass standard civil recovery mechanisms. The dispute is essentially one of outstanding commercial balance (Rs. 1.33 Crores and Rs. 30.78 Lakhs, respectively).

19. Legal Submissions on IPC Provisions: Relying on a catena of judgments, including this Court’s decision in *Mehul Chinubhai Choksi vs. State of Gujarat* (Special Criminal Application No.1072 of 2018), it was argued that Sections 406 and 420 IPC are fundamentally mutually exclusive in standard single-stage commercial transactions. Furthermore, invoking the landmark guidelines in *State of Haryana v. Bhajan Lal [1992 Supp (1) SCC 335]*, it was pressed that the FIRs are manifestly attended with mala fides and fall squarely under categories 1, 3, and 7 of the said judgment, warranting immediate quashing.

19.1 It is argued that not even a prima facie case has been made out in the impugned FIR to arraign the applicants as an accused. Even if all the allegations set out in the impugned FIRs are taken to be true and correct, no offense whatsoever can be made out against the applicants as alleged or otherwise at all.

19.2 It is further argued that entire transaction/dispute is

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purely civil in nature. There is no element of criminality involved whatsoever and adequate remedy is available in law for the Respondent No.2 to recover the money from the Companies by whom such outstanding amounts are payable, if any. It is submitted that the Respondent No.2 is attempting to cloak, what can at best be civil dispute by filing the impugned FIR against the Petitioner. The impugned FIRs are motivated and *mala fide* and that there is no criminality involved, the Respondent No.2, if at all, can easily get appropriate and adequate reliefs, if any, from initiating appropriate civil proceedings. The impugned FIRs liable to be quashed on this ground alone.

19.3 Learned advocate for the applicants would further argued that impugned FIRs have been filed with *mala fide* intentions to harass the applicants and to cause tremendous hardship. The impugned FIRs filed are mala fide, baseless and there is nothing on record to substantiate the illegal and wrongful claims of the Informant/Respondent No.2. The entire conduct of the Respondent No.2 reeks of malafides and is a clear abuse of due process of law. Even assuming that there is any dispute, it would be entirely a civil dispute, which is being given the colour of a criminal dispute only with an attempt to mis-utilise the police machinery for personal gains. Hence, the impugned FIR deserves to be quashed and set aside.

19.4 Learned advocates for the applicants would submit that there are no allegations with regard to involvement the applicants and in any case, the allegations made in the

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impugned FIR do not even disclose the commission of any offence by the applicants and do not make out any case against the applicants.

PART IV: SUBMISSIONS ON BEHALF OF THE RESPONDENT-COMPLAINANT:

20. *Per contra*, Mr.Satyam Chhaya, learned advocate for the original complainants, vehemently resisted the applications, urging this Court to decline the exercise of its inherent jurisdiction, submitting that the matters require deep investigation and a full-fledged trial.

21. Dispute Regarding the Resignation Date: The primary factual rebuttal offered by the respondent was a direct challenge to the resignation date. Mr.Chhaya submitted, with considerable emphasis, that the applicants continued to act as a Director of Anil Limited until the year 2017. He argued that the purported resignation is a smokescreen, an internal manipulation by the corporate machinery designed to insulate its directors from the massive, pre-planned default that was to follow. Since the complainant asserts the applicants were director till 2017 (covering the 2016 transactions), it creates a disputed question of fact which cannot be adjudicated in a Section 482 petition.

22. The "Habitual Offender" Argument: Mr.Chhaya extensively argued that the applicants are not innocent bystanders but a habitual offenders entangled in a web of corporate fraud. To substantiate this, he pointed to various

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parallel proceedings. It was submitted that a similar application for quashing (Criminal Misc. Application No. 1646 of 2017) preferred by co-accused persons before the Bombay High Court (Aurangabad Bench) was summarily rejected, citing the widespread nature of the fraud.

23. Crucially, he highlighted that multiple complaints under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881, are pending against the applicants across various jurisdictions (Addl. Chief Metropolitan Magistrate, Ahmedabad; Mirzapur Court; and courts in Rajasthan and Mumbai). Bailable warrants and proclamations under Section 87 of the Cr.P.C. (dated 31.03.2016) have allegedly been issued against the applicants due to continuous evasion of the judicial process. Anil Limited's subsequent journey into liquidation was cited as the ultimate proof of an overarching, deceptive corporate strategy to defraud creditors, in which the applicants were key architect.

24. Co-existence of Civil and Criminal Remedies: Addressing the applicants' argument that the dispute is purely civil, Mr.Chhaya relied heavily on the Supreme Court's pronouncements in *Rajesh Bajaj v. State of NCT of Delhi [(1993) 3 SCC 259]*, *Trisuns Chemical Industry v. Rajesh Agarwal [(1999) 8 SCC 686]*, *Kamladevi Agarwal v. State of W.B. [(2002) 1 SCC 555]*, and *Sangeetaben Mahendrabhai Patel v. State of Gujarat [(2012) 7 SCC 621]*. He argued that a commercial transaction can certainly birth a criminal offence if the intent to deceive is present from the beginning. Simply

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because a civil remedy exists does not grant immunity from criminal prosecution.

PART V: LEGAL ISSUES INVOLVED:

25. Having traversed the extensive pleadings, the FIRs, and the submissions advanced at the bar, this Court finds that the adjudication of these petitions necessitates a detailed judicial inquiry into the following cardinal issues of law:

I] Whether the foundational ingredients of Criminal Breach of Trust (Section 406 IPC) and Cheating (Section 420 IPC) are established on a bare perusal of the FIR, and what is the jurisprudential nuance regarding their alleged "mutual exclusivity"?

II] Whether the complainant's heavy reliance on the applicant's antecedent history (pending NI Act cases, warrants, and alleged "habitual offender" status) creates a legal bar to the quashing of the present, specific FIRs?

III] Whether the impugned proceedings represent a legitimate criminal prosecution or an illegitimate weaponization of the criminal justice system to coerce the recovery of a purely civil commercial debt?

PART VI: REASONING AND ANALYSIS:

ISSUE I: The Anatomy of Sections 406 and 420 IPC and the Nuance of Mutual Exclusivity:

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26. The applicants urged that Sections 406 and 420 of the IPC are mutually exclusive. It is paramount that this Court clarifies the exact jurisprudential standing of this argument.

27. It is a broadly accepted principle that a *single, indivisible act* cannot simultaneously satisfy the ingredients of both Criminal Breach of Trust and Cheating. Section 406 requires "entrustment" of property or dominion over property. "Entrustment" implies that the victim, willingly and without any deception, handed over property to the accused in a fiduciary capacity, and the accused subsequently misappropriated it. Conversely, Section 420 requires deception right from the *inception*. If a person is deceived into handing over property, the transfer is vitiated by fraud; hence, it can never constitute a lawful "entrustment."

28. However, the Supreme Court has nuanced this position. In complex, multi-stage commercial or corporate dealings, the two offences are not always mutually exclusive. It is highly possible that at Stage 1, property is lawfully entrusted (attracting Section 406 if later misappropriated), and at Stage 3, a fresh, distinct fraudulent inducement is made regarding a separate asset (attracting Section 420).

29. But does this nuance apply to the present FIRs? The answer is an unequivocal negative. The transactions detailed in the FIRs are straightforward, single-stage commercial sales of goods (maize) against invoices. This brings us directly to the recent pronouncement of the Hon'ble Supreme Court in

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Delhi Race Club (1940) Limited and others vs. State of Uttar Pradesh and another [(2024) 10 SCC 690].

30. In *Delhi Race Club (Supra)*, the Apex Court exhaustively analyzed the interface of Sections 406 and 420 in standard buyer-seller relationships. The Court categorically laid down that a commercial sale of goods does not constitute "entrustment." In a sale, the property in the goods passes to the buyer. The relationship formed is that of a debtor and a creditor, not a trustee and a beneficiary. Therefore, the non-payment of trade invoices or the dishonouring of cheques issued for such goods does not, by any stretch of legal imagination, constitute a Criminal Breach of Trust under Section 406 IPC. Section 406 is thus completely ousted from the present factual matrix.

31. Regarding Section 420 IPC, the law is equally stringent. To establish Cheating, the prosecution must demonstrate that the accused possessed a fraudulent or dishonest intention *at the time of making the promise or representation*. Mere failure to keep a promise at a subsequent stage (e.g., failure to clear dues due to business losses or liquidation) does not retrospectively constitute cheating. [See: *Hridaya Ranjan Prasad Verma v. State of Bihar, (2000) 4 SCC 168*) wherein it is held as follows: “In determining the question it has to be kept in mind that the distinction between mere breach of contract and the offence of cheating is a fine one. It depends upon the intention of the accused at the time to inducement which may be judged by his subsequent conduct but for this

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subsequent conduct is not the sole test. Mere breach of contract cannot give rise to criminal prosecution for cheating unless fraudulent or dishonest intention is shown right at the beginning of the transaction, that is the time when the offence is said to have been committed. Therefore it is the intention which is the gist of the offence. To hold a person guilty of cheating it is necessary to show that he had fraudulent or dishonest intention at the time of making the promise. From his mere failure to keep up promise subsequently such a culpable intention right at the beginning, that is, when he made the promise cannot be presumed."]

32. In the present case, the FIRs indicate that business was initially conducted smoothly, and trust was built. This itself negates the theory of "deception at inception." More importantly, even if we assume the company intended to cheat in 2016, how can this *mens rea* be attributed to the present applicant? There is absolutely no vicarious liability under the IPC for the offences of Cheating or Breach of Trust (unlike Section 141 of the NI Act). The applicant did not negotiate the deal, did not sign the cheques, and was not even part of the company. The foundational ingredients of both Section 406 and Section 420 IPC are hopelessly absent against the applicant.

ISSUE II: The "Habitual Offender" Paradigm and Antecedent History:

33. Mr.Chhaya, with considerable rhetorical force, urged this Court to deny relief to the applicants on the ground that

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they are "habitual offender." He cited the pendency of numerous Section 138 NI Act cases, non-bailable warrants, and proclamations under Section 87 of the Cr.P.C. across Mumbai, Rajasthan, and Gujarat.

34. This Court must address this submission to maintain complete judicial analytical integrity. What is the evidentiary and legal value of a person's antecedent criminal history when deciding a quashing petition for a distinct, unconnected FIR?

35. Criminal jurisprudence dictates that a person's liability must be established on the specific facts, *actus reus* (guilty act), and *mens rea* (guilty mind) of the *particular transaction* under scrutiny. Bad character, a history of defaults, or the pendency of multiple prosecutions cannot serve as a legal substitute for the absence of foundational facts in the present FIRs.

36. Section 54 of the Indian Evidence Act, 1872, explicitly states that in criminal proceedings, the fact that the accused person has a bad character is irrelevant, unless evidence has been given that he has a good character. While this Court under Section 482 Cr.P.C. is not strictly conducting a trial, the underlying equitable principle applies. The pendency of proceedings under the Negotiable Instruments Act in other jurisdictions is a matter for those specific courts to adjudicate based on whether the applicants were in charge of the company *at the time those specific cheques were issued*.

37. In the current matrix, the prosecution's case suffers from

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a fatal, unbridgeable view point: the applicants' verifiable, statutory absence from the company during the July-September 2016 supplies. The fact that they might have been involved in defaults during 2014 or 2015 (leading to other NI Act cases) cannot artificially breathe life into the present FIRs. Judicial discipline requires this Court to adjudicate the applications based on the legal sustainability of the impugned complaints, not the broader character profile of the applicants. Even though calling the accused a 'habitual offender' might feel justified to someone who lost money, the argument has no legal weight and won't stop this Court from throwing out an FIRs which do not inspire confidence.

ISSUE IV: Civil Dispute vs. Criminal Prosecution:

38. The final nail in the coffin of the prosecution's case is the inherently civil flavor of the entire dispute. The complainants' grievances stem from unpaid invoices for the supply of agricultural commodities.

39. Mr. Chhaya relied upon cases like *Rajesh Bajaj* and *Trisuns Chemical Industry* to argue that the existence of a civil remedy does not preclude criminal prosecution. The proposition of law cited by the learned counsel is entirely correct, but its application to the present facts is fundamentally misplaced.

40. In the judgments relied upon by the complainant, the Supreme Court allowed simultaneous proceedings because specific, overt acts of cheating—forged documents, deliberate

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misrepresentations at the exact time of signing the contract, specific inducements—were explicitly pleaded against the specific accused. The instruction to withhold cheque presentation or a request for time due to liquidity issues is a classic indicator of a *commercial cash-flow crunch* or corporate financial distress. In standard commercial dealings, buyers facing temporary financial constraints frequently request suppliers to hold off on presenting cheques while they arrange funds. While this may form the basis of a civil breach of contract or subsequent legal remedies under the Negotiable Instruments Act (such as Section 138), it does not automatically translate into a fraudulent, pre-conceived intention (*mens rea*) to cheat *ab initio* under Section 420 of the IPC. Unlike specific statutory enactments (such as Section 141 of the Negotiable Instruments Act, 1881), there is no concept of vicarious liability under the Indian Penal Code for offences like cheating or criminal breach of trust. Even if a Managing Director or corporate representative asks a supplier to hold off on depositing a cheque during a liquidity crisis, such a commercial communication cannot rope in directors without specific, individualized allegations of active, fraudulent inducement right at the inception of the transaction.

41. The Hon'ble Supreme Court in ***Indian Oil Corpn. v. NEPC India Ltd. [(2006) 6 SCC 736]*** expressed deep concern over the growing tendency in business circles to convert purely civil disputes into criminal cases. The Court noted that this is often done to apply pressure on the accused for the recovery of money, effectively using the police

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machinery as a debt collection agency.

42. When evaluated against the celebrated parameters laid down in ***State of Haryana v. Bhajan Lal [(1992) Supp (1) SCC 335]***, the present case squarely attracts parameters (1), (3), and (7). The uncontroverted allegations against the applicants do not make out any case. The evidence (RoC records) renders the allegations absurd and inherently improbable regarding the applicants' involvement. Finally, the proceeding is manifestly attended with a *mala fide* intention to strong-arm a former director into settling the commercial debts of a corporate entity that has since slipped into liquidation.

PART VII: CONCLUSION:

43. The criminal justice system is a potent instrument; its invocation carries severe consequences for the liberty, reputation, and life of an individual. It cannot be permitted to be utilized as a tool for corporate debt recovery, especially against individuals whose legal association with the defaulting entity had extinguished long before the inception of the disputed commercial transactions for vague and omnibus allegations there is no overact attributed to the applicants.

44. Merely labeling a commercial default with the headings of "cheating" (Section 420 IPC) or "breach of trust" (Section 406 IPC) in an FIR does not automatically attract those penal sections. Criminal liability depends strictly on whether the foundational ingredients—such as dishonest inducement ab

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initio or specific property entrustment—are legally made out on the face of the complaint. If the act itself does not constitute a criminal offence under the IPC, then debating whether a director resigned before or after the police complaint becomes secondary to the primary conclusion that no criminal case is made out at all. The complainant had ongoing commercial dealings with the company "since last 3 years as narrated in the FIRs itself". A long-standing, continuous business relationship robustly negates the theory of fraudulent intention or deception ab initio, reinforcing that the dispute is fundamentally a civil or commercial contractual default rather than a criminal offence.

45. Therefore, this Court finds it not only appropriate but strictly necessary to exercise its inherent powers under Section 482 of the Code of Criminal Procedure to prevent the abuse of the process of the Court and to secure the ends of justice.

46. In the result, all these Criminal Miscellaneous Applications are hereby allowed. The impugned First Information Reports, viz: (a) **C.R. No. I-54 of 2018**, registered at Mansa Police Station, Gandhinagar on 12.04.2018, and (b) **C.R. No. I-57 of 2018**, registered at Mansa Police Station, Gandhinagar on 16.04.2018, along with all consequential, incidental, and subsequent proceedings arising therefrom, including any charge-sheet or process that may have been issued, are hereby quashed and set aside *qua* present applicants.

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47. Rule is made absolute in all the applications in the aforesaid terms. **Direct service** is permitted.

(P. M. RAVAL, J)

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