



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 11TH DAY OF SEPTEMBER, 2025

BEFORE

THE HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM

WRIT PETITION NO.26873 OF 2024 (GM-RES)

BETWEEN:

SAILEN DAS
AGED ABOUT 37 YEARS
SON OF MR. BARADA PRASANNA DAS
102, PANCHAWATI RESIDENCY
BARBIL MAIN ROAD
BARBIL KEONJHAR-758035
ODISHA, INDIA.

...PETITIONER

(BY SRI.SHRAVANTH ARYA TANDRA, ADVOCATE)

AND:

1. STATE BY KODIGEHALLI POLICE STATION
YELAHANKA SUB-DIVISION
THROUGH STATION HOUSE OFFICER
BB NAGAR, KOTI HOSAHALLI
BENGALURU-560 092
REPRESENTED THROUGH
PUBLIC PROSECUTOR
2. A ONE STEELS INDIA PRIVATE LIMITED
A COMPANY WITHIN THE MEANING OF THE
COMPANIES ACT, 2013
REPRESENTED BY MR. SOHIL DATTANI
PRESIDENT (MARKETING)
A ONE HOUSE 326, WARD NO.08





COAL LAYOUT, SAHAKAR NAGAR
BENGALURU-560 092
KARNATAKA, INDIA

...RESPONDENTS

(BY SRI.ANOOP KUMAR, HCGP FOR R.1;
SRI.K.DIVAKARA, SENIOR ADVOCATE FOR
SRI.ADITYA D, ADVOCATE FOR R.2)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE FIRST INFORMATION REPORT BEARING NO.0303/2024 DATED 6-08-2024 FOR THE OFFENCES PUNISHABLE UNDER SECTION 506 AND 420 OF THE INDIAN PENAL CODE, 1860 OF THE R1 (ANNEXURE-A) AND ALL CONSEQUENT PROCEEDINGS ARISING THEREFROM THAT HAVE BEEN INITIATED ON THE BASIS OF THE COMPLAINT DATED 6-08-2024 (ANNEXURE-B) PENDING ON THE FILE OF THE VII ADDITIONAL CHIEF METROPOLITAN MAGISTRATE COURT, NRUPATUNGA ROAD, BANGALORE CITY AND ETC.

THIS PETITION, COMING ON FOR ORDERS, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM

ORAL ORDER

This petition is filed by the petitioner - sole accused seeking quashing of the proceedings pending in Crime No.0303/2024 for the offences punishable under



Sections 506 and 420 of Indian Penal Code, 1860 on the file of the VII Additional Chief Metropolitan Magistrate Court, Nrupatunga Road, Bangalore.

2. The gist of the complaint is that respondent No.2 – a Private Limited Company entered into a sale–purchase agreement with Jambu Odisha Trade Private Limited, of which the present petitioner–accused is one of the Directors. The principal allegation of respondent No.2, as the complainant, is that despite the execution of the agreement between the two companies, Jambu Odisha Trade Private Limited, after receiving delivery of 20,000 Metric Tonnes of Iron Ore Fines, failed to deliver the same to the complainant. On the strength of this allegation, respondent No.2 lodged a written complaint before the jurisdictional Police Station, asserting that the company and its officials had committed offences punishable under Sections 420 and 506 of the Indian Penal Code. Acting on



the said complaint, the jurisdictional police registered a crime against the accused.

3. Aggrieved by the initiation of criminal proceedings, the petitioner, who is a Director of Jambu Odisha Trade Private Limited, has approached this Court by way of the present petition seeking quashing of the proceedings. The challenge is laid primarily on two grounds: (i) That the petitioner, merely by virtue of being a Director, could not have been prosecuted unless the company itself was arrayed as the principal accused; and (ii) That a plain reading of the written complaint demonstrates that the dispute, at its core, arises out of a contractual transaction, and therefore, Respondent No.2 was not justified in giving a civil dispute the colour of a criminal prosecution.

4. *Per-contra*, learned Senior Counsel appearing for respondent No.2 has sought to justify the registration of the crime on the basis of the written complaint in its



entirety. It is submitted that the materials placed on record disclose sufficient grounds to infer that the petitioner harboured a dishonest intention to cheat respondent No.2 at the inception of the transaction, thereby attracting the ingredients of the alleged offences.

5. Having heard learned counsel for the parties as well as the learned High Court Government Pleader, this Court has bestowed its anxious consideration on the rival contentions and has carefully examined the judgments rendered by the Hon'ble Supreme Court in ***S.N.Vijayalakshmi v. State of Karnataka***¹ and in ***Shailesh Kumar Singh @ Shailesh R. Singh v. State of Uttar Pradesh & Others***². Before delving into the merits of the matter, this Court considers it apposite to reproduce paragraph Nos.6 to 9 of the written complaint, which read as follows:

¹ AIR 2025 SC 3601

² 2025 INSC 869



"6. Jambu's director Mr.Sailen Dass visited our corporate office on 21st December, 2023 to meet to our directors and we entered into two new contracts:

- i) 20,000 MT IOF (Fe 55%) for Rs.2200/MT (delivery within 20 working days) (Offer copy and Performa invoice attached as Annexure 5)*
- ii) 3,000 MT IOF (Fe 57%) for Rs.5800/MT (delivery within 7 working days from mining permit) (Offer copy and Performa invoice attached as Annexure 6)*
- iii) We also sent purchase orders on 21st December 2023 specifying the urgent delivery terms of 7 working days (Purchase Orders as Annexure - 7).*

7. Between December 21st 2023 and January 10th 2024, we made further payments to Jambu despite their continued delays and promises of material delivery. (Bank statement attached as Annexure 8 for each payment).

8. On January 3rd 2024, they offered 5400 MT ready stock at yard (Fe 55%) for Rs.2.5 Cr., which we paid immediately to procure the material. But again this time they have not provided the material due to their habit of taking payment and denying afterwards. They finally provided 4737 MT on January 8th 2024 with



3 different grades blended, but it was sub-standard. We have appointed 3rd party agency Mitra SK for analysis and sampling of Iron Ore Fines and same is attached herewith. (Purchase order and 3rd party analysis report attached as Annexure 9)

9. On January 25th 2024, we paid Rs.1.5 Cr. On the condition that they have to give us blank cheque in case material is not delivered to us. We have been chasing them for the remaining materials for over 30 days and till date we have not received any material. (Bank statement attached as Annexure 10)."

Jambu's director Mr.Sailen Dass visited our corporate office on 21st December, 2023 to meet to our directors and we entered into two new contracts:

6. On a careful reading of the extracted portion of the written complaint, it is evident that the dispute arises out of a sale-purchase agreement entered into between two companies, namely, Respondent No.2 – the complainant company and Jambu Odisha Trade Private Limited, of which the petitioner is a Director. Under the terms of the contract dated 20.11.2023, the petitioner, representing Jambu Odisha Trade Private Limited, undertook to supply two rakes (wagon series) of Iron Ore



Fines (IOF) to the complainant at Vizag Port within a period of 7 to 10 working days from the date of execution of the contract. The essence of the grievance raised by respondent No.2 is that the said material was not supplied within the stipulated period as agreed under the sale-purchase agreement.

7. If these facts, as set out in the complaint, are taken at their face value, this Court is of the considered opinion that the law declared by the Hon'ble Supreme Court in ***S.N. Vijayalakshmi v. State of Karnataka*** (supra) is squarely attracted to the case on hand. The Apex Court has categorically held that, in the absence of any element of criminality or dishonest intention at the inception of the transaction, a party cannot be permitted to pursue both civil and criminal remedies simultaneously, for such parallel proceedings would amount to an abuse of the process of law.



8. As rightly contended by learned counsel for the petitioner, the recitals in the complaint itself disclose that a substantial portion of the contractual obligations was, in fact, performed by Jambu Odisha Trade Private Limited, of which the petitioner is one of the Directors. This aspect is specifically acknowledged in the written complaint extracted hereinabove. Therefore, in the absence of any material to *prima-facie* indicates that the company, acting through the petitioner, entertained a fraudulent or dishonest intention to deceive the complainant at the inception of the contract, the basic ingredients of the offence of cheating under Section 420 IPC are not satisfied. Even if the allegations contained in the complaint are assumed to be true in their entirety, no offence, as alleged, can be said to have been made out against the petitioner.

9. Be that as it may, the admitted position remains that the parties are bound by a valid and subsisting contract and the controversy essentially pertains to the



performance of obligations arising therefrom. Such disputes are, in their nature, civil and are amenable to adjudication before an appropriate forum in accordance with law. This Court is, therefore, of the considered view that respondent No.2, albeit inadvertently, has been ill-advised in setting the criminal law in motion in respect of what is, at its core, a contractual dispute. Allowing the prosecution to proceed in these circumstances would clearly amount to permitting an abuse of the process of law.

10. In the light of the foregoing discussion, this Court proceeds to pass the following:

ORDER

(i) The petition is allowed.

(ii) The FIR registered in Crime No.0303/2024 by Kodigehalli Police Station for the offences punishable under Sections 506 and 420 IPC, as per Annexure-A, together with all



consequential proceedings pending on the file of the VII Additional Chief Metropolitan Magistrate, Nrupatunga Road, Bengaluru, are hereby quashed.

(iii) It is, however, clarified that this order shall not preclude respondent No.2 from initiating appropriate proceedings, in accordance with law, before a competent forum to enforce its contractual rights, if so advised.

**Sd/-
(SACHIN SHANKAR MAGADUM)
JUDGE**