



**146 THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CRM-M-31977-2026 (O&M)

Date of decision : 15.07.2026

**NANDA WORKS AND SOLUTION THROUGH
ITS PROPRIETOR, SH. ROSHAN LAL**

...Petitioner

Versus

STATE OF HARYANA AND OTHERS

...Respondents

Coram: Hon'ble Mrs. Justice Shalini Singh Nagpal

Present: Ms. Akriti Mittal, Advocate
for the petitioner.

SHALINI SINGH NAGPAL J.

1. Petitioner seeks quashing of FIR No. 0035 dated 31.01.2026 under Section 318(4) Bharatiya Nyaya Sanhita, 2023, Police Station Udyog Vihar, Gurugram and all subsequent proceedings arising therefrom.

2. Police registered the case under Section 318(4) Bharatiya Nyaya Sanhita, 2023, on complaint of Proprietor of Girnar Finserv Private Limited, who alleged that on 30.10.2025, amount of ₹2,02,51,092/- was inadvertently transferred from the bank account of Girnar Finserv Private Limited with HSBC Bank Ltd. to the bank account of the accused Nanda Works Solution, Union Bank of India. The complainant reached out to its banker informing them of the transaction and requesting them to liaise with the bank of the accused to impose a lien on the aforesaid account. However, accused's bank advised the complainant to obtain legal/authority order for imposing requested lien. Further on 03.11.2025, complainant reached out to the accused and demanded repayment of the inadvertently remitted funds. During conversation, accused acknowledged receipt of the said funds and assured repayment of the same. However, till date, the accused failed to make payment to the complainant and was now deliberately evading



complainant's efforts to reach out to him via calls, messages and other modes of communication. Thus, the company firmly believed that accused had dishonestly and wrongly retained complainant's funds and was possibly withdrawing the same for his personal use. Registration of FIR against the accused and directions for recovery of transferred funds was prayed for.

3. Learned counsel for the petitioner submits that petitioner was a proprietorship firm engaged in the business of providing services in advertising, affiliate marketing, brand building and brand promotion activities. Respondent No. 2 entered into service agreement with the petitioner on 20.08.2025, wherein it agreed to take services of the petitioner to expand and promote its reach and marketing network. Pursuant to the service agreement, petitioner provided various services to respondent No. 2 and issued bills/invoices dated 21.08.2025 and 22.08.2025, which respondent No. 2 acknowledged and initiated making payments. Thus, there was a running account between the parties with almost ₹8,00,00,000/- worth of transactions executed prior to the dispute, which established a clear pre-existing commercial nexus entirely negating the theory of "sudden inadvertent transaction". The FIR did not disclose any ingredient of criminal offence and the civil dispute was being imparted criminal colour. Prosecution of the petitioner was nothing but an abuse of the process of law which needed to be discouraged. Further, there was an unexplained delay of 03 months in lodging the FIR.

4. In ***Neeharika Infrastructure Private Limited v. State of Maharashtra and Others (2021) 19 SCC 401***, a three-Judge Bench of Hon'ble Supreme Court has held that the power to quash criminal proceedings must be exercised sparingly, and only where the complaint, even if accepted in



full, discloses no offence or continuation would amount to abuse of process of law. Hon'ble Apex Court issued following directions to the High Courts to be kept in mind while exercising the power under Section 482 of the Cr.PC:

"Conclusions

33. In view of the above and for the reasons stated above, our final conclusions on the principal/core issue, whether the High Court would be justified in passing an interim order of stay of investigation and/or "no coercive steps to be adopted", during the pendency of the quashing petition under Section 482 CrPC and/or under Article 226 of the Constitution of India and in what circumstances and whether the High Court would be justified in passing the order of not to arrest the accused or "no coercive steps to be adopted" during the investigation or till the final report/charge-sheet is filed under Section 173 CrPC, while dismissing/disposing of/not entertaining/not quashing the criminal proceedings/complaint/FIR in exercise of powers under Section 482 CrPC and/or under Article 226 of the Constitution of India, our final conclusions are as under:

33.1.....

33.2. Courts would not thwart any investigation into the cognizable offences. 33.3. It is only in cases where no cognizable offence or offence of any kind is disclosed in the first information report that the Court will not permit an investigation to go on.



33.4. The power of quashing should be exercised sparingly with circumspection, as it has been observed, in the "rarest of rare cases" (not to be confused with the formation in the context of death penalty).

33.5. While examining an FIR/complaint, quashing of which is sought, the court cannot embark upon an enquiry as to the reliability or genuineness or otherwise of the allegations made in the FIR/complaint.

33.6.....

33.7. Quashing of a complaint/FIR should be an exception rather than an ordinary rule.

33.8 to 33.11.....

33.12. The first information report is not an encyclopedia which must disclose all facts and details relating to the offence reported. Therefore, when the investigation by the police is in progress, the court should not go into the merits of the allegations in the FIR. Police must be permitted to complete the investigation. It would be premature to pronounce the conclusion based on hazy facts that the complaint/FIR does not deserve to be investigated or that it amounts to abuse of process of law. After investigation, if the investigating officer finds that there is no substance in the application made by the complainant, the investigating officer may file an appropriate report/summary before the learned Magistrate which may be considered by the learned Magistrate in accordance with the known procedure.



33.13 and 33.14.....

33.15. When a prayer for quashing the FIR is made by the alleged accused and the court when it exercises the power under Section 482 CrPC, only has to consider whether the allegations in the FIR disclose commission of a cognizable offence or not. The court is not required to consider on merits whether or not the merits of the allegations make out a cognizable offence and the court has to permit the investigating agency/police to investigate the allegations in the FIR."

5. In a more recent decision in ***Sumit Bansal Versus M/s MGI Developers And Promoters And Another 2026(1) RCR(Criminal) 419***, Hon'ble Supreme Court has observed thus:

"28. On these lines, it is apt clear that even though the powers under Section 482 of the Cr.PC are very wide, its conferment requires the High Court to be more cautious and diligent. While examining any complaint or FIR, the High Court exercising its power under this provision cannot go embarking upon the genuineness of the allegations made. The Court must only consider whether there exists any sufficient material to proceed against the accused or not."

6. It is thus, clear that at the stage of quashing of FIR, which is at investigation stage, only the allegations in the FIR are required to be considered. The service agreement relied upon by the petitioner and various other invoices (Annexure P-3) cannot be considered in these proceedings to record a finding that ₹2,02,51,092/- transferred in the account of the petitioner was not inadvertent as claimed but arose out of business dealings



and was in fact, payment made on account of services rendered by the petitioner-company. While considering a petition under Section 482 Cr.P.C., the Court cannot conduct a mini trial and is only to be satisfied that *prima facie* offences, as alleged, are made out. Minute examination of the record and defence of the accused cannot be looked into by the Court, nor this Court can embark upon appreciation of evidence at this stage. At this juncture, it is not the function of the Court to weigh the pros and cons of prosecution case. Following observations of Hon'ble Supreme Court in **Hira Lal v. State (Govt. of NCT) Delhi, 2003 SCC(Cri)2016**, would be relevant:-

“It is a firmly established principle that, while examining a petition for quashing under Section 482 of the Crpc, the court must refrain from conducting a mini-trial or undertaking a detailed evaluation of the evidence. The inherent power to quash criminal proceedings is to be exercised only in rare and exceptional circumstances, such as where the allegations in the FIR are patently absurd, inherently improbable, or fail to disclose any cognizable offence. When the FIR or complaint, on its face, discloses the basic ingredients of a cognizable offence, the appropriate course is to allow the process of investigation and trial to continue, rather than prematurely terminating the prosecution at an interlocutory stage. Interference at this stage would not only impede the investigative process but also defeat the very object of criminal justice.”



7. The allegations in the FIR *prima facie* disclose commission of cognizable offence(s) and case of the petitioner does not fall within the parameters laid down by Hon’ble Supreme Court in ***State of Haryana and Others vs. Chaudhary Bhajan Lal and Others, 1992 AIR 604***. It is not a fit case for quashing the FIR. The petition is, therefore, dismissed.
8. Pending miscellaneous applications, if any, stand disposed of.
9. Nothing observed hereinabove shall be construed as an opinion on merits of the case.
10. Pending CRM(s), if any, are also disposed of accordingly.

(SHALINI SINGH NAGPAL)
JUDGE

15.07.2026
Ajay Goswami

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