2025:AHC-LKO:74743

HIGH COURT OF JUDICATURE AT ALLAHABAD
LUCKNOW

APPLICATION U/S 482 No. - 8942 of 2025

Sonali Verma And Another

.....Applicant(s)

Versus

State Of U.P. Thru. Its Addl. Chief Secy. Deptt. Of Home Lko. And 2 Others

.....Opposite Party(s)

Counsel for Applicant(s)	:	Abhineet Jaiswal
Counsel for Opposite Party(s)	:	G.A., Abhinav Kumar Mathur, Avdhesh Kumar Pandey, Ram Kumar Verma

---

Along with :

1. **Application U/s 482 No. 8902 of 2025:**
   Sonali Verma and another
   Versus
   State of U.P. Thru. its Addl. Chief Secy./Prin. Secy. Deptt. of Home Lko. and 2 others

---

Reserved on 10.11.2025 AFR
Delivered on 19.11.2025

HON'BLE BRIJ RAJ SINGH, J.

1. Both applications have been filed seeking quashing of the entire proceedings of Criminal Complaint Case Nos.925 of 2022 and 926 of 2022, M/s Kalpana Industries Vs. M/s K.D. Overseas and others, under Section 138 of Negotiable Instrument Act, 1881 (for short 'the Act, 1881') as well as the summoning orders dated 01.06.2022 passed by the Additional Chief Judicial Magistrate-I, Unnao.

2. Since the common question of facts and law are involved in both the applications, therefore, they are being heard and decided by a common judgement.

3. Brief facts of the case, in nut shell, are that applicants had entered into a partnership deed dated 01.05.2016 for carrying on business under the name and style of "M/s K.D. Overseas" situated at Neelu Kheri, District Karnal, Haryana. The object of the partnership was to engage in the

business of growing, cultivating, producing, manufacturing, trading, processing, purifying, renting, purchasing, selling, blending, importing, exporting, rendering marketable and transportable (whether in bulk, packed or concentrated form) various agricultural and allied products, including rice, wheat, gram, maize, other grains and cereals, pulses, spices, oils, oil seeds, flour, besan, daliya, maida, suji and related commodities. The applicants are sleeping partners of the partnership firm M/s K.D. Overseas having no role whatsoever in its management of day-to-day affairs. Both the applicants being ladies, engaged primarily in domestic and personal responsibilities, mutually resolved to appoint Mr. Sahil Verma, who is the husband of applicant no.1 and son of applicant no.2 to manage and take charge of daily business and operational affairs of the firm including execution of sale deeds, transfer deeds, lease deeds and other related documents, as well as to conduct all banking and financial transactions on behalf of the firm. Accordingly, the applicants executed a registered power of attorney bearing Certificate No.M0292017111, G.R.N. No.30696682 dated 29.09.2017 in favour of Mr. Sahil Verma, thereby authorising him to take charge and exercise all necessary powers for the smooth conduct and management of the firm’s day-to-day affairs.

4. It is stated that Criminal Complaint Case No.926 of 2022 has been filed by opposite parties no.2 and 3 under Section 138 read with Section 141 of the Act, 1881 and the applicants have been arrayed as accused nos.4 and 5, while Mr. Sahil Verma who is in-charge and managing affairs of the aforesaid partnership firm M/s K.D. overseas and had issued cheques in question in favour of opposite party no.2, had been arrayed as accused no.3. The aforesaid partnership firm M/s K.D. Overseas and the manager/competent officer of the same had been arrayed as accused nos.1 and 2 respectively. Similarly, other Complaint Case No.925 of 2022, M/s Kalpana Industries and another Vs. M/s K.D. Oversea and others, was also filed by opposite parties no.2 and 3 pertaining to different cheques number amounting to Rs.45,00,000/-.

5. Sri Abhineet Jaiswal, learned counsel for the applicants has submitted that applicants had long back executed a registered Power of Attorney dated 29.09.2017 in favour of Sahil Verma authorising him as in-charge and to exclusively manage, operate and conduct all business, financial and

administrative activities of the aforesaid firm, including the operation of its bank accounts and issuance of cheques. At the relevant point of time when cheques in question were issued to opposite party no.2, Mr. Sahil Verma was solely in-charge of the affairs of the firm and had issued the cheques in question, which subsequently came to be dis-honoured. The applicants are not even signatories to the cheques and had no knowledge or participation in the underlying transactions. However, the complainant has mechanically arraying the applicants as accused persons without containing any specific averment demonstrating how they were in charge of and responsible for the conduct of the business of the firm, which is a mandatory requirement under Section 141 of the Act, 1881 for fastening vicarious liability. In absence of such specific allegations, the continuation of the proceedings against the applicants is wholly unwarranted and constitutes an abuse of process of law.

6. Learned counsel for the applicants has further submitted that applicants are innocent and have not committed any offence as alleged in the complaint cases. It is further submitted that the applicants have not even issued the cheques in question and they were neither in-charge of the partnership firm nor were the responsible for the conduct of business of the aforesaid firm and the cheques in question were issued in favour of opposite party no.2. The applicants are not even signatories to the cheques in question and they are sleeping partners. It has also been submitted that there is no specific averment in the aforesaid memo of complaint registered by opposite parties no.2 and 3 alleging that applicants retained control or the alleged offence was committed by their consent, connivance or by reason of their negligence.

7. Learned counsel for the applicants has also submitted that there is bald assertion in paragraph-6 of the aforesaid memo of the complaint alleging that the aforesaid cheques in question have been issued and signed by accused nos.2 to 5 on behalf of accused no.1 and they are fully responsible for day-to-day affairs and accused no.1 and accused nos.2 to 5 are individually, jointly and severally responsible and liable to pay the outstanding amount to the complainant. It has been submitted that opposite party no.3 in the cross-examination conducted in Complaint Case No.925 of 2022 on 21.08.2025 has admitted that the cheques in question were issued to him by Mr. Sahil Verma and further admitted that

he does not know the owners/partners of the partnership firm M/s K.D. Overseas.

8. It has also been submitted that Section 138 of the Act, 1881 casts criminal liability punishable with imprisonment of fine or with both on a person who issues a cheque towards discharge of a debt or liability as a whole or in part and the cheque is dishonoured by the bank on presentation. While Section 141 of the Act, 1881 extends such criminal liability in case of a company to every person who at the time of the offence, was in-charge of, and was responsible fo the conduct of the business of the company. By a deeming provision contained in Section 141 of the Act, 1881, such a person is vicariously liable to be held guilty for the offence under Section 138 of the Act, 1881 and punished accordingly.

9. Learned counsel for the applicants has further submitted that mere designation as a partner, does not automatically attract criminal liability under Sections 138 and 141 of the Act, 1881. In support of his contention, learned counsel for the applicants are relying upon the following decisions of the Hon'ble Supreme Court:-

1. ***S.M.S. Pharmaceuticals Ltd. Vs. Neeta Bhalla and anothe***r, (2005) 8 SCC 89;

2. ***Sunita Palita and others Vs. Panchami Stone Quarry***, (2022) 10 SCC 152;

3. ***National Small Industries Corporation Limited Vs. Harmeet Singh Paintal***, (2010) 3 SCC 330;

4. ***Ashok Shewakramani and others Vs. State of Andhra Pradesh and another***, (2023) 8 SCC 473;

5. ***S.P. Mani and Mohan Dairy Vs. Dr. Snehalatha Elangovan,*** (2022) SCC OnLine SC 1238;

6. ***Brij Lal Mittal Vs. State of U.P.***, (1998) 2 SCC 343;

7. ***Pepsi Foods Limited Vs. Special Judicial Magistrate***, (1998) 5 SCC 749; and

8. ***State of Haryana Vs. Bhajan Lal,*** (1992) Supp.(1) SCC 335; and

9. ***Smt. Vimla Devi and another Vs. State of U.P. and another,*** (2017) SCC OnLine All 4354.

10. On the other hand, Sri Abhinav Mathur, learned counsel appearing for opposite parties no.2 and 3 has submitted that in the case of a partnership firm, there is no concept of vicarious liability of the partners as such. The

liability is joint and severe because a partnership firm is the business of partners and one cannot proceed against only the firm without the partners being made liable. He has further submitted that a director in a company, which is a body corporate *stricto sensu* and such a company is a separate juristic entity *vis-a-vis* the directors. The partnership firm has no legal recognition in the absence of its partners. It has further submitted that the cases cited by the counsel for the applicants are distinguishable as the counsel for the applicants tries to make a submission explaining that the partners of the partnership firm have separate entity and they are not akin to the directors or managing directors as envisaged under Section 141 of the Act, 1881.

11. To buttress his argument, counsel for opposite parties no.2 and 3 has placed reliance upon the decision of the Supreme Court in the case of ***Dhanasingh Prabhu Vs. Chandrasekar and another,*** (2025) SCC OnLine SC 1419.

12. Sri Rajdeep Singh, Learned AGA-I appearing for the State-opposite party no1 has supported the arguments advanced by the counsel for opposite parties no.2 and 3 and has submitted that since the applicants have been summoned after perusing the statements of the complainant, witnesses and the evidence on record, therefore, no interference is required by this Court while exercising its extraordinary jurisdiction under Section 482 Cr.p.C..

13. I have heard learned counsel for the applicants as well as learned AGA appearing for State-opposite party no.1 and learned counsel appearing for opposite parties no.2 and 3 and perused the record.

14. For the sake arguments, this Court would like to deal with the case laws cited by the counsel for the applicants.

15. Hon'ble Supreme Court in the case of *S.M.S. Pharmaceuticals Ltd.* (supra) in paragraphs 18 and 19 held as under:-

"*18. To sum up, there is almost unanimous judicial opinion that necessary averments ought to be contained in a complaint before a persons can be subjected to criminal process. A liability under Section 141 of the Act is sought to be fastened vicariously on a person connected with a Company, the principal accused being the company itself. It is a departure from the rule in criminal law against vicarious liability. A clear case should be spelled out in the complaint against the person sought to be made liable. Section 141 of the Act contains the requirements for making a person liable under the*

said provision. That respondent falls within parameters of Section 141 has to be spelled out. A complaint has to be examined by the Magistrate in the first instance on the basis of averments contained therein. If the Magistrate is satisfied that there are averments which bring the case within Section 141 he would issue the process. We have seen that merely being described as a director in a company is not sufficient to satisfy the requirement of Section 141. Even a non director can be liable under Section 141 of the Act. The averments in the complaint would also serve the purpose that the person sought to be made liable would know what is the case which is alleged against him. This will enable him to meet the case at the trial.

19. In view of the above discussion, our answers to the questions posed in the Reference are as under:

(a) It is necessary to specifically aver in a complaint under Section 141 that at the time the offence was committed, the person accused was in charge of, and responsible for the conduct of business of the company. This averment is an essential requirement of Section 141 and has to be made in a complaint. Without this averment being made in a complaint, the requirements of Section 141 cannot be said to be satisfied.

(b) The answer to question posed in sub-para (b) has to be in negative. Merely being a director of a company is not sufficient to make the person liable under Section 141 of the Act. A director in a company cannot be deemed to be in charge of and responsible to the company for conduct of its business. The requirement of Section 141 is that the person sought to be made liable should be in charge of and responsible for the conduct of the business of the company at the relevant time. This has to be averred as a fact as there is no deemed liability of a director in such cases.

(c) The answer to question (c) has to be in affirmative. The question notes that the Managing Director or Joint Managing Director would be admittedly in charge of the company and responsible to the company for conduct of its business. When that is so, holders of such positions in a company become liable under Section 141 of the Act. By virtue of the office they hold as Managing Director or Joint Managing Director, these persons are in charge of and responsible for the conduct of business of the company. Therefore, they get covered under Section 141. So far as signatory of a cheque which is dishonoured is concerned, he is clearly responsible for the incriminating act and will be covered under sub-section (2) of Section 141."

16. In the aforesaid case, the Supreme Court held that merely being described as a director in a company is not sufficient to satisfy the requirement of Section 141 of the Act, 1881. Even a non-director can be liable under Section 141 of the Act, 1881. The criminal liability has been fastened on those who at the time of the commission of the offence, were in-charge of and were responsible to the firm for the conduct of the business of the firm.

17. Hon'ble Supreme Court in the case of *Ashok Shewakramani and others*, (supra) in paragraphs 8 and 9 held as under:-

"*8. Now we come to the averments made in Paragraph 7. Firstly, it is stated that all the Directors were liable for the transactions of the accused No.1 company. Secondly, it is stated that all the accused were fully aware of the issuance of the cheques subject matter of the complaint, and they were also aware that the cheques will be*

dishonoured. Further, it is alleged that all the accused knew that there were no funds in the account of accused No.1-company.

9. Sub-section 1 of Section 141 of the NI Act required the complainant to aver that the present appellants at the time of the commission of the offence were in charge of, and were responsible to the company for the conduct of the business of the company. In the present case, all that the second respondent has alleged is that the appellants were liable for transactions of the company and that they were fully aware of the issuance of the cheques and dishonour of the cheques."

18. The aforesaid judgement also postulates regarding the scope of Section 141 of the Act, 1881, in which all the directors are liable for transactions of accused no.1 company and appellants were not signatories to the cheques.

19. Hon'ble Supreme Court in the case of *Sunita Palita and others* (supra), in paragraphs-28, 42 and 45 held as under:-

"*28. In Pooja Ravinder Devidasani v. State of Maharashtra and another this Court held as under:-*

"*17. ... Non-executive Director is no doubt a custodian of the governance of the company but is not involved in the day- to-day affairs of the running of its business and only monitors the executive activity. To fasten vicarious liability under Section 141 of the Act on a person, at the material time that person shall have been at the helm of affairs of the company, one who actively looks after the day-to-day activities of the company and is particularly responsible for the conduct of its business. Simply because a person is a Director of a company, does not make him liable under the NI Act. Every person connected with the Company will not fall into the ambit of the provision. Time and again, it has been asserted by this Court that only those persons who were in charge of and responsible for the conduct of the business of the Company at the time of commission of an offence will be liable for criminal action. A Director, who was not in charge of and was not responsible for the conduct of the business of the Company at the relevant time, will not be liable for an offence under Section 141 of the NI Act.*

In National Small Industries Corpn. Ltd. v. Harmeet Singh Paintal, (2010) 3 SCC 330, this Court observed:

"*13. Section 141 is a penal provision creating vicarious liability, and which, as per settled law, must be strictly construed. It is therefore, not sufficient to make a bald cursory statement in a complaint that the Director (arrayed as an accused) is in charge of and responsible to the company for the conduct of the business of the company without anything more as to the role of the Director. But the complaint should spell out as to how and in what manner Respondent 1 was in charge of or was responsible to the accused Company for the conduct of its business. This is in consonance with strict interpretation of penal statutes, especially, where such statutes create vicarious liability.*

14. A company may have a number of Directors and to make any or all the Directors as accused in a complaint merely on the basis of a statement that they are in charge of and responsible for the conduct of the business of the company without anything more is not a sufficient or adequate fulfilment of the requirements under Section 141."

18. In Giridhari Lal Gupta v. D.H. Mehta, (1971) 3 SCC 189, this Court observed that a person "in charge of a business" means that the person should be in overall control of the day-to-day business of the Company.

19. A Director of a company is liable to be convicted for an offence committed by the company if he/she was in charge of and was responsible to the company for the conduct of its business or if it is proved that the offence was committed with the consent or connivance of, or was attributable to any negligence on the part of the Director concerned (see State of Karnataka v. Pratap Chand [State of Karnataka v. Pratap Chand, (1981) 2 SCC 335 : 1981 SCC (Cri) 453]).

20. In other words, the law laid down by this Court is that for making a Director of a company liable for the offences committed by the company under Section 141 of the NI Act, there must be specific averments against the Director showing as to how and in what manner the Director was responsible for the conduct of the business of the company."

42. Liability depends on the role one plays in the affairs of a com- pany and not on designation or status alone as held by this Court in S.M.S. Pharmaceuticals Ltd. *(supra). The materials on record clearly show that these Appellants were independent, non-executive Directors of the company. As held by this Court in Pooja Ravinder Devidasani v. State of Maharashtra and Anr. (supra) a non-Executive Director is not involved in the day-to-day affairs of the company or in the running of its business. Such Director is in no way responsible for the day-to-day running of the Accused Company. Moreover, when a complaint is filed against a Director of the company, who is not the signatory of the dishonoured cheque, specific averments have to be made in the pleadings to substantiate the contention in the complaint, that such Director was in charge of and responsible for conduct of the business of the Company or the Company, unless such Director is the designated Managing Director or Joint Managing Director who would obviously be responsible for the company and/or its business and affairs.*

45. As held by this Court in National Small Industries Corporation Ltd. v. Harmeet Singh Paintal4 *quoted with approval in the subsequent decision of this Court in* Pooja Ravinder Devidasani v. State of Maharashtra and Anr. *(supra) the impleadment of all Directors of an Accused Company on the basis of a statement that they are in charge of and responsible for the conduct of the business of the company, without anything more, does not fulfil the requirements of* Section 141 *of the NI Act."*

20. In the aforesaid case, Hon'ble Supreme Court has held that the High Court over looked the contention of the appellants that they were not exclusively independent directors of the accused company based on unimpeachable materials on record. Moreover, when a complaint is filed against a Director of the company, who is not the signatory of the dishonoured cheque, specific averments have to be made in the pleadings to substantiate the contention in the complaint that such Director was in charge of and responsible for conduct of the business of the Company.

21. Hon'ble Supreme Court rendered in the case of *Pepsi Foods Ltd.*

(supra), which has been relied upon by the counsel for the applicants, has held that summoning order in a criminal case is a serious matter which should be resorted to after due care and application of mind. Paragraph 28 of the aforesaid judgment reads as under:-

"*28. Summoning of an accused in a criminal case is a serious matter. Criminal law cannot be set into motion as a matter of course. it is not that the complainant has to bring only two witnesses to support his allegations in the complaint to have the criminal law set into motion. The order of the magistrate summoning the accused must reflect that he has applied his mind to the facts of the case and the law applicable thereto. He has to examine the nature of allegations made in the complaint and the evidence both oral and documentary in support thereof and would that be sufficient for the complainant to succeed in bringing charge home to the accused. It is not that the Magistrate is a silent spectator at the time of recording of preliminary evidence before summoning of the accused. Magistrate has to carefully scrutinise the evidence brought on record and may even himself put questions to the complainant and his witnesses to elicit answers to find out the truthfulness of the allegations or otherwise and then examine if any offence is prima facie committed by all or any of the accused."*

22. In the present, case, the Court has to see that the case is pertaining to a partnership firm and applicants are the partners, who have executed a Power of Attorney in favour of Sahil Verma to look into the affairs of the firm i.e. financial and other liabilities. Sahil Verma has acted on the basis of Power of Attorney executed by the applicants and he has issued the cheque on behalf of the firm, therefore, the applicants are also liable can be prosecuted, hence the aforesaid judgments of the Supreme Court are not applicable in view of the law laid down by the Supreme Court in paragraph 9.8 of the case of *Dhanasingh Prabhu* (supra).

23. Sri Abhinav Kumar Mathur, learned counsel for opposite parties no.2 and 3 by relying upon the judgement of the Supreme Court in the case of *Dhanasingh Prabhu* (supra) has submitted that director is a separate persona in relation to a company, whereas in the case of a partnership firm, the partner is not really a distinct legal persona. This is because a partnership firm is not really a legal entity separate and distinct as a company is from its directors but can have a legal persona only when the partnership firm is considered along with its partners. He has further submitted that the judgement of the Supreme Court in the case of *Dhanasingh Prabhu* (supra) is specifically dealing with the issue of partners in the partnership firm while the judgments cited by the counsel for the applicants are not applicable because mostly all the judgements relate to a company and its directors as envisaged under Section 141 of

the Act, 1881. Paragraphs 9.6, 9.7, 9.8, 9.9 and 9.10 of the judgement of *Dhanasingh Prabhu* (supra) are quoted below:-

"*9.6 On a conjoint reading of the various clauses of Section 141, what emerges is that the expression "company" has been used in an expansive way to include not just a company incorporated under the provisions of the Companies Act stricto sensu but also any body corporate such as a statutory company as well as other artificial juristic entity such as a partnership firm or other association of individuals. Hence, the expression "director" in sub-section (2) of Section 141 is not restricted to a director of an incorporated company or a statutory body, but also includes a partner of a firm. The expression "director" in sub-section (2) of Section 141 of the Act in relation to a firm means a partner, which is also a legislative device adopted by the Parliament knowing fully well and being conscious of the fact that a partnership firm, jurisprudentially speaking, does not stand on par with a director of a body corporate. Since the Parliament has used the expression "company" encompassing all types of juristic persons, it was necessary to give an expanded definition to the expression "director" in relation to a firm to mean a partner in the firm. Therefore, the inclusion of a firm within the meaning of the expression "company" is by a legal fiction and by way of a legislative device only for the purpose of creating a liability on the partners of the firm, which in any case, they are liable under the law of partnership in India. But the definition of the word company including a partnership firm has been incorporated in the Explanation for the sake of convenience, as otherwise a similar provision would have to be inserted for the very same purposes. Instead of replicating the same definition for different kinds of juristic entities, the Parliament has thought it convenient to add an Explanation to define a company for the purpose of Section 141 of the Act in the context of an offence committed by, inter alia, a company, as understood within the meaning of the Companies Act, and also include a firm or other association of individuals within the definition of company. Similarly, under clause (b) of the explanation, the expression "director", in relation to a firm, means a partner in the firm.*

9.7 This also demonstrates the fact that while a director is a separate persona in relation to a company, in the case of a partnership firm, the partner is not really a distinct legal persona. This is because a partnership firm is not really a legal entity separate and distinct as a company is from its directors but can have a legal persona only when the partnership firm is considered along with its partners. Thus, the partnership firm has no separate recognition either jurisprudentially or in law apart from its partners. Therefore, while a director of a company can be vicariously liable for an offence committed by a company, insofar as a partnership firm is concerned, when the offence is committed by such a firm, in substance, the offence is committed by the partners of the firm and not just the firm per se. Therefore the partners of the firm are liable for the dishonour of a cheque, even though the cheque may have been issued in the name of the firm and the offence is committed by the firm. Therefore, in law and in jurisprudence, when a partnership firm is proceeded against, in substance, the partners are liable and the said liability is joint and several and is not vicarious. This is unlike a company which is liable by itself and since it is an artificial juristic entity, the persons in charge of the affairs of the company or who conduct its business only become vicariously liable for the offence committed by the company.

9.8 However, jurisprudentially speaking, the partners of a partnership firm constitute the firm and a firm is a compendious term for the partners of a firm. This is opposed to the position of a director in a company which is a body corporate stricto sensu and such a company is a separate juristic entity vis-à-vis the directors. On the other hand, a partnership firm has no legal recognition in the absence of its partners. If a

partnership firm is liable for the offence under Section 138 of the Act, it would imply that the liability would automatically extend to the partners of the partnership firm jointly and severally. This underlying distinction between a partnership firm and a company which is a body corporate has to be borne in mind while dealing with an offence committed by a company or a partnership firm, as the case may be, within the meaning of Section 138 read with Section 141 of the Act. To reiterate, in the case of a partnership firm, there is no concept of vicarious liability of the partners as such. The liability is joint and several because a partnership firm is the business of partners and one cannot proceed against only the firm without the partners being made liable.

9.9 Therefore, even in the absence of partnership firm being named as an accused, if the partners of the partnership firm are proceeded against, they being jointly and severally liable along with the partnership firm as well as inter-se the partners of the firm, the complaint is still maintainable. The accused in such a case would in substance be the partners of the partnership firm along with the firm itself. Since the liability is joint and several, even in the absence of a partnership firm being proceeded against by the complainant by issuance of legal notice as mandated under Section 138 of the Act or being made an accused specifically in a complaint filed under Section 200 of CrPC, (equivalent to Section 223 of the BNSS), such a complaint is maintainable.

9.10 Thus, when it is a case of an offence committed by a company which is a body corporate stricto sensu, the vicarious liability on the categories of persons mentioned in sub-section (1) and sub-section (2) of Section 141 of the Act accordingly would be proceeded against and liable for the offence under Section 138 of the Act. In the case of a partnership firm on the other hand, when the offence has been proved against a partnership firm, the firm per se would not be liable, but liability would inevitably extend to the partners of the firm inasmuch as they would be personally, jointly and severally liable with the firm even when the offence is committed in the name of the partnership firm."

24. After going through the judgment of the supreme Court rendered in the case of *Dhanasingh Prabhu* (supra), it is amply clear that Hon'ble Supreme Court has enunciated the law that in absence of partnership firm being named as an accused if the partners of the partnership firm are proceeded against, they being jointly and severally liable along with the partnership firm as well as *inter se* partners of the firm. Therefore, the complaint is maintainable. The law pronounced by the Supreme Court in the case of *Dhanasingh Prabhu* (supra) is specifically dealing with the issue of partnership firm and it has been categorically held that there is underlying distinct between the partnership firm and the company and it is a body corporate, whereas the offence committed by the company is differently dealt with and Section 141 of the Act, 1881 is attracted and there is no concept of authorised liability of the partners as such. The liability is joint and severe.

25. Section 25 of the Indian Partnership Act, 1932 also defines that every partner is liable, jointly with all the other partners and also severally, for

all acts of the firm done while he is a partner. In the present case, applicants are partners and a partnership deed dated 01.05.2016 was reduced in writing for carrying on business under the name and style of “M/s K.D. Overseas” situated at Neelu Kheri, District Karnal, Haryana, therefore, the applicants cannot escape from their liability because a partnership firm is not really a legal entity separate and distinct and it can have a legal persona only when it is considered along with its partners.

26. Considering the arguments advanced by counsel for the parties and the evidence on record, this Court is of the opinion that the trial court has rightly entertained the complaint and issued summons against the applicants. Therefore, no interference is required by this Court in exercise of its extraordinary jurisdiction under Section 528 of Bharatiya Nagarik Suraksha Sanhita, 2023.

27. Both the applications being devoid of merit, are ***rejected.***

(Brij Raj Singh,J.)

November 19, 2025
Rao/-

Digitally signed by :-
CHEBROLU SRINIVASA RAO
High Court of Judicature at Allahabad,
Lucknow Bench