



Serial No. 01
Regular List

HIGH COURT OF MEGHALAYA
AT SHILLONG

Crl.M.C. No. 103 of 2025 in
Crl.Rev.P. No.7 of 2025

Date of Order: 24.10.2025

1.Shri. Edingson Khongnohbeh
S/o Shri Kwenshon Temsen
R/o Nongjri Village
P.s. Pynursla East Khasi Hills
District Meghalaya.

Vs. Central Bureau of
Investigation through
the Head of Branch,
Anti-Corruption Branch
Shillong.

2. Shri Hanbor Khongthani
S/o (L) Hynniew Khongjoh
R/o Laitmynring Village
P.S. Pynursla, East Khasi Hills
District Meghalaya

3. Shri Tyngehsing Khongnohbeh
S/o (L) Khywnwising Dkhar
R/o Nongbri Village
P.S. Pynursla, East Khasi Hills
District Meghalaya

..... Applicants

..... Respondent

Coram:

Hon'ble Mr. B. Bhattacharjee, Judge

Appearance:

For the Petitioner/Appellant(s) : Ms. L. Naaz, Adv
Mr. K.V. Kharlyngdoh, Adv

For the Respondent(s) : Dr. N. Mozika, DSGI with
Ms. N.A.U. Sogra



(ORAL)

Heard Ms. L. Naaz, learned counsel appearing for the applicants and Dr. N. Mozika, learned DSGI appearing for the respondent.

By this application the applicants have prayed for stay of the proceeding of the Special (CBI) Case No.1 of 2021 pending before the Special Judge (CBI), Shillong.

The learned counsel for the applicants submits that though allegation of intentionally and dishonestly defrauding the Meghalaya Rural Bank has been made against the applicants, no supporting evidence has been brought in the charge-sheet. She submits that the allegation of preparation of false stock statement and hypothecation agreement is not supported by any documentary evidence. According to the learned counsel, the entire prosecution case has arisen because of non-refund of loan advanced by the Meghalaya Rural Bank to the applicants and the matter is purely civil in nature. She submits that an attempt has been made to give criminal colour to the matter by initiating the criminal proceeding against the applicants without any legal basis. She submits that the applicants have already settled/compromised the matter with the bank and in support of her submission refers to the letters dated 07.09.2019 and 26.05.2023. She further submits that the applicants have already paid Rs.61,91,213/-, Rs.9,98,218/- and Rs.65,42,909/- respectively as a token of acceptance of the compromise. It is also submitted that the learned Special Judge (CBI) did not consider the contentions raised on behalf of the applicants and passed the impugned order dated 06.08.2025 in Special (CBI) Case No.1 of 2021 directing for framing of charges U/s 120B/420/403/468/471 without there being any incriminating material against the applicants. The learned counsel submits that 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 and places reliance on the decisions of the Apex Court in *Mohammed Ibrahim & ors v. State of Bihar & anr* (2009) 8 SCC 751, *Sheila Sebastian v. R. Jawaharaj & anr* (2018) 7 SCC 581 and *Hridaya Ranjan Prasad Verma & ors v. State of Bihar & anr* (2000) 4 SCC 168 to contend that every breach of contract cannot be an offence of cheating and that to attract the offence of forgery, the making of a false document has to be established. She submits that the applicants are willing to clear the remaining amount to the Meghalaya Rural Bank in terms of the settlement and, as such, the criminal proceeding initiated against them is absolutely uncalled for and prays that the proceeding of the Special (CBI) Case No.1 of 2021 be stayed till the disposal of the main criminal revision petition.

The learned DSGI, on the other hand, submits that the applicants are seeking stay of the proceeding before the Trial Court primarily on the basis of the alleged compromise/settlement, however, there is no evidence that the entire amount of settlement has been paid to the bank. He submits that the applicants should have first completed the settlement process with the bank before approaching the Court. He further submits that the very approach adopted by the applicants are wrong inasmuch as quashing of the proceeding on the basis of compromise/settlement and the challenge to the order of rejection of prayer of discharge are altogether two different things and cannot be clubbed together. He, therefore, submits that no case is made out for passing of any interim order in the matter.

Upon hearing the learned counsels for the parties and on perusal of materials on record, it appears that the allegation against the applicants is that they intentionally and dishonestly defrauded the Meghalaya Rural Bank and several gullible borrowers and availed financial gain by obtaining loans in the name of the borrowers. There is also allegation that the loans were



disbursed to the borrowers by hypothecating non-existent stocks. The applicants have cheated misinformed borrowers/guarantors through concealment of facts and induced them to deliver their signature on loan documents and later dishonestly induced such borrowers to deliver the disbursed loan amount to them.

The contention of the applicants that the matter has been settled cannot be accepted at this stage as the letters referred by the learned counsel for the applicants are not part of the charge-sheet. The Meghalaya Rural Bank has not been made as a party to the present application and in absence of the bank, the contention of settlement in the matter remains unsubstantiated. Further, the contention of the applicants that there is no supporting evidence in the charge-sheet cannot be accepted at this stage as the allegations made in the charge-sheet has to be proved by adducing evidence during the course of the trial. The sufficiency or the insufficiency of evidence cannot be judged at this juncture. Hence, it is not a fit case where the proceeding of the Trial Court needs to be stayed. The interim prayer, as such, stands rejected.

Judge

Meghalaya
24.10.2025
"Shrity,PS"