**IN THE PUNJAB & HARYANA HIGH COURT AT CHANDIGARH**

**CRM-M-14921-2014**
**Date of decision : 06.02.2015**

Ashok Kumar and others

... Petitioners

Versus

State of Haryana and another

... Respondents

***CORAM: HON'BLE MRS. JUSTICE REKHA MITTAL***

Present: Mr.B.B.Bagga, Advocate
for the petitioners.

Ms.Neelam Kashyap, DAG, Haryana.

Mr.J.S.Sathi, Advocate
for respondent No.2.

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***<u>REKHA MITTAL, J.</u>***

Through the present petition filed under Section 482 of the Code of Criminal Procedure (in short 'Cr.P.C.'), the petitioners pray for quashing of FIR No.381 dated 19.08.2008 registered in Police Station City Karnal for offence punishable under Sections 406, 420, 422, 120-B of the Indian Penal Code (in short 'IPC') and proceedings emanating therefrom.

Counsel for the petitioners contends that Ashok Kumar (petitioner No.1) was proprietor of the firm namely Puri Enterprises having its business at Shop No.26, Sewa Samiti Market, Kunjpura Road, Karnal. He availed a cash credit limit of Rs.8 lacs from the Punjab and Sind Bank, G.T.Road, Karnal but as he suffered heavy loss, it resulted in closure of the business and lean financial position. Petitioners No.2 & 3, father and wife of petitioner No.1 stood guarantor in respect of credit facilities availed by petitioner No.1. Petitioner No.2 is owner of immovable property comprised in khasra No.222/2/1/ (3-4) and khasra No.222 M/1/3 (3-16) in khewat No.3879 and 3880 at Moga Mahila Singh and he had mortgaged his interest in the said property for securing the said credit facility. It is further submitted that the petitioner tried their best to settle the account and clear their outstanding liability to the extent of Rs.20,58,000/- approximately. The petitioners showed their bonafide, made a proposal for settlement of account which was eventually accepted by the complainant bank. In pursuance of said settlement, the petitioners have already cleared their entire liability, their properties have been released by the bank and no due certificate has been issued. It is argued with vehemence that keeping in view the fact that the petitioners have already satisfied claim of the complainant bank, continuation of the criminal proceedings in the circumstances would be nothing but an abuse and misuse of process of law, thus, liable to be quashed.

Reply on behalf of respondent No.2 filed in the Court is taken on record.

Paramjit Singh son of Pritam Singh, Senior Manager, Punjab and Sind Bank, Branch Office, G.T.Road, Karnal has filed his duly sworn affidavit, taken on record. A relevant extract from the affidavit is quoted thus:-

> *"That the deponent states that the account of the petitioners stand fully finally adjusted under the settlement approved by the Higher Authorities of the Bank and account of the petitioners in the books of the bank stand closed on 27.12.2013. There is subsisting disputed with regard to recovery or claim over*

*mortgaged or hypothecated property of the petitioners. The properties of the petitioners stand released by the bank and no due certificate has been issued to the petitioner by the Bank."*

Statement of Sh.Paramjit Singh in this regard was recorded in the Court.

Counsel for respondent No.2 has fairly conceded to assertions made by counsel for the petitioners that the petitioners have satisfied entire claim of the bank and the properties of the petitioners have been released by the bank and no due certificate has been issued in their favour. Keeping in view the above, I am of the considered opinion that it is a just and expedient in the interest of justice that the criminal proceedings are put to an end.

For the reasons aforesaid, the petition is allowed, FIR No.381 dated 19.08.2008 registered in Police Station Sector City Karnal for offence punishable under Sections 406, 420, 422, 120-B IPC and proceedings emanating therefrom are ordered to be quashed with no order as to costs.

**(REKHA MITTAL)**
**JUDGE**

**February 06, 2015.**
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