

CRM-M-59211-2023
Date of decision: 23.11.2023

Mohammed Saleem Mohammed
Yaseen Lashkaria alias Mohd. SaleemPetitioner

State of Haryana and another ...Respondents

CRM-M-59211-2023

-2-

as mentioned in the loan agreement. Furthermore, Promissory note and other contract documents were executed wherein, the petitioner agreed and undertook to repay the loan amount along with interest in monthly installments in terms of the loan agreement. The petitioner in discharge of its legally payable debt/liability towards respondent No.2 opted Electronic Clearance System (ECS) mandate and accordingly, issued standing instructions to their banker, namely Samata Sahakari Bank Ltd. bearing Bank MICR No.400068350 to debit the amount of Rs.13,41,254/- towards the monthly installments in respect of the aforementioned loan transaction on monthly basis. However, the ECS initiated by the petitioner, could not be executed on the ground of 'insufficient funds' with return memo dated 17.09.2016 and thus, the present case was got registered.

Learned counsel for the petitioner *inter alia* contends that the petitioner was unaware *qua* the institution of the aforementioned complaint (Annexure P-1) against him and even the negotiation & settlement talks were underway with respondent No.2 and pursuant thereto, an amount of Rs.68,00,000/- towards pending dues was paid. In this regard, foreclosure of the loan account bearing No.709423 was also issued by respondent No.2 on 16.03.2019 (Annexure P-2). He further contends that despite the settlement of the disputed amount, respondent No.2 kept on pursuing the complaint (Annexure P-1) before the learned trial Court to the extent that the petitioner was unfortunately declared as proclaimed person vide order dated 19.12.2018 (Annexure P-3) and consequently, proceedings under Section 174-A IPC were initiated in FIR No.554 dated 11.04.2019 (Annexure P-4) against the petitioner.

Thereafter, when the petitioner came to know of the above mentioned FIR (An

CRM-M-59211-2023**-3-**

nexure P-4), he filed an anticipatory bail application before the learned Addl. Sessions Judge, Gurugram on 26.04.2023 and he was granted the concession of anticipatory bail vide order dated 02.05.2023 (Annexure P-5).

He further submits that the main dispute between the parties which was under Section 25 of the Act, out of which, proceedings under Section 174-A of IPC have emerged, had already been concluded vide order dated 13.07.2019 (Annexure P-6) passed by the learned Judicial Magistrate 1st Class, Gurugram as the matter had been compromised between the parties, in proof of which, statement of the complainant/respondent No.2 is annexed with the present petition as Annexure P-7.

The FIR dated 11.04.2019 (Annexure P-4) was registered in pursuance of order dated 19.12.2018 (Annexure P-3) passed by the learned JMIC, Gurugram, whereas, the complaint under Section 25 of the Act was dismissed as withdrawn being compromised on 13.07.2019 (Annexure P-6) on the basis of the statement suffered by respondent No.2/complainant.

The question which arises for consideration of this Court is whether on account of withdrawal of the complaint under Section 25 of the Act on the basis of compromise, the proceedings of FIR No.554 dated 11.04.2019 (Annexure P-4) under Section 174-A of IPC deserve to be quashed?

The stand of learned counsel representing the petitioner is that the petitioner has duly paid the amount involved in the cheque in question and both the parties have settled the matter amicably which has resulted in withdrawal of the complaint under Section 25 of the Act. In the factual backdrop of this case, undisputedly, once the substantive offence already stands settled between the petitioner and respondent No.2, the proceedings under Section 174-A of IPC

CRM-M-59211-2023

-4-

would be of no consequence.

Reliance in this regard has been placed upon the various pronouncements on the issue involved in the present case. In **CRM-M-43813-2018, Baldev Chand Bansal vs. State of Haryana and another, decided on 29.01.2019, Vikas Sharma vs. Gurpreet Singh Kohli and another, 2017, (3) L.A.R. 584, Microqual Techno Limited and others Vs. State of Haryana and another, 2015 (32) RCR (CrI.) 790 and Rajneesh Khanna Vs. State of Haryana and another, 2017(3) L.A.R. 555** wherein, in identical circumstances, the Coordinate Benches of this Court have held that since the main petition filed under Section 138 of the Negotiable Instruments Act stands withdrawn in view of an amicable settlement between the parties, therefore, the proceedings under Section 174-A of IPC would not sustain either.

A Coordinate Bench of this Court in **Vikas Gupta vs. State of Haryana and others**, while quashing the FIR under Section 174-A of the IPC in **CRM-M-19636-2018** decided on 01.08.2018 has observed the following:-

“The ultimate aim, objective and goal of a legal system is to reconcile the social conflicts. Law is required only to ensure that people do not have to fight with each other just to protect their right to property, right to life and liberty and other rights secured to them by the legal system. The civil disputes are the conflicts between two parties, having lesser overtones for the social order, social harmony or the society as such. Hence absolute freedom is given to the parties to settle their disputes by compromises, of course, coming with certain legal consequences as well. However, the criminal disputes do not necessarily restrict themselves to only two parties to the dispute in terms of their scope, consequences and effect. The criminal acts tend to cast their effect and consequences even upon the so

CRM-M-59211-2023

-5-

ciety at large. Therefore, the law prescribes punishment, severe punishments and the extreme punishments, including death penalty for criminal acts.”

Learned counsel representing the State has not been able to controvert the aforesaid facts and the position of law as laid down in the aforesaid judgment.

This Court, while examining the facts and circumstances of the present case, is *ad idem* with the view taken by the Coordinate Benches of this Court that once the substantive offence has been settled through compromise between the petitioner and respondent No.2, the proceedings of FIR No.554 dated 11.04.2019 (Annexure P-4) under Section 174-A of IPC would not sustain either.

Accordingly the present petition is allowed. The proceedings of FIR No.554 dated 11.04.2019 (Annexure P-4) under Section 174-A of IPC along with all consequential proceedings arising therefrom, are hereby quashed.

(HARPREET SINGH BRAR)
JUDGE

23.11.2023
Neha

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