



IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CRM-M-19876-2023
Reserved on: 15.05.2024
Pronounced on: 17.05.2024

SALIL CHANDNA AND OTHERS

.... PETITIONERS

Vs.

STATE OF HARYANA AND ANOTHER

.... RESPONDENTS

CORAM: HON'BLE MR JUSTICE DEEPAK GUPTA

Present: - Mr. Vishal Aggarwal, Advocate,
for the petitioners.

Mr. Sumit Jain, Addl. A.G., Haryana.

Mr. Dheeraj Kumar, Advocate, for
Mr. Sushil Sharma, Advocate, for respondent No.2.

DEEPAK GUPTA, J.

By way of this petition filed under Section 482 CrPC, petitioner prays for quashing of FIR No.60 dated 31.01.2022 under Sections 406/420 IPC registered at Police Station Pinjore, Panchkula and also subsequent proceedings arising therefrom, on the basis of compromise dated 08.11.2022 (Annexure P2).

2. It is contended by ld. counsel for the petitioners that there were business transactions between the parties, inasmuch as petitioners used to purchase medicines from respondent No.2-complainant. Due to Covid situation, some of the payments could not be made in time. Respondent No.2-complainant got registered the present FIR despite the fact that dispute is of civil in nature. Petitioners never had the intention to cheat the complainant-respondent No.2. After registration of the FIR, parties entered into a

compromise, whereby petitioners agreed to pay an amount of ₹13,75,000/- as full and final settlement of the claim of the respondent No.2-complainant. Copy of the compromise is Annexure P2. Petitioners made the entire payment as per the details given in Annexure P3. However, despite assurances given by respondent No.2-complainant, she later on refused to come forward for getting the FIR quashed or to make statement before police for cancellation of the FIR.

3. Despite opportunities granted to respondent No.2-complainant, said respondent failed to file reply to the petition.

4. Respondent No.1-State in its reply submitted that after completion of investigation, final report under Section 173 CrPC was prepared and that it is under checking, which will be presented in the Court after clearance from the office of the District Attorney. It is further stated that in the said reply that complainant-respondent No.2 has denied the factum of compromise.

5. Heard.

6. Compromise (Annexure P2) would reveal that it was entered on 08.11.2022, whereby the first party to the compromise i.e. Monika Gupta (*respondent No.2 herein*) agreed to receive an amount of ₹13,75,000/-from the second party i.e., accused (*petitioners herein*). Various cheques of different dates were earlier given to her. The details of payments made from time to time contained in Annexure P3 would reveal that upto 08.11.2022 i.e. upto execution of the compromise Annexure P2, except for an amount of ₹1,25,000/- all remaining amount had already been paid. The remaining amount of ₹1,25,000/- was paid in installments during 15.12.2022 to 29.12.2022.

7. Respondent No.2-complainant has not denied the factum of compromise, as is evident from her statement (Annexure R1) made before the Police and as is annexed with the reply filed by the respondent No.1-State. However, as per stand of respondent No.2, the amount of ₹13,75,000/- was to be paid upto 08.11.2022, but the entire payment was not made upto that date and so, the compromise had come to an end. Even the cheques earlier issued by the petitioners were dishonoured and that complainant-respondent No.2 is yet to receive an amount of ₹2,03,882/-.

8. As has been noticed earlier that only an amount of ₹1,25,000/- has been paid during 08.11.2022 to 29.12.2022. Entire remaining payment as per compromise had been paid to the respondent-complainant.

9. Apart from above, perusal of the compromise itself and the statement made by the complainant-respondent No.2 before the police would clearly indicate that it was purely a civil dispute, which has been given the criminal colour by lodging the FIR against the petitioners. The respondent No.2-complainant has already received the amount of ₹13,75,000/- as per settlement. Now, she is not coming forward to accept the compromises and rather, appears to be resiling from the same.

10. Learned counsel for the petitioner has referred to a decision of Hon'ble Supreme Court rendered in *Mohd. Shamim Vs. Smt. Nahid Begum, 2005 (1) RCR (Criminal) 697*, in which it had been held that in case compromise had been entered into between the parties and amount has been received by the complainant, the continuation of the proceedings will be nothing but misuse of process of law, even if the complainant later on backed out. In the cited authority, it was held as under: -

“14. This Court in **Ruchi Agarwal vs. Amit Kumar Agrawal & Ors. 2004 (4) RCR (Criminal) 949 (SC); 2004 (8) Supreme 525**, in almost a similar situation has quashed a criminal proceeding against the husband, stating:

"...Therefore, we are of the opinion that the appellant having received the relief she wanted without contest on the basis of the terms of the compromise, we cannot now accept the argument of the learned counsel for the appellant. In our opinion, the conduct of the appellant indicates that the criminal complaint from which this appeal arises was filed by the wife only to harass the respondents.

8. In view of the above said subsequent events and the conduct of the appellant, it would be an abuse of the process of the court if the criminal proceedings from which this appeal arises is allowed to continue. . ."

15. In view of the conduct of the First Respondent in entering into the aforementioned settlement, the continuance of the criminal proceeding pending against the Appellants, in our opinion, in this case also, would be an abuse of the process of the court. The Appellant No.1, however, would be entitled to withdraw the sum of Rs.50,000/- which has been deposited in the court. We, therefore, in exercise of our jurisdiction under Article 142 of the Constitution of India direct that the impugned judgment be set aside. The First Information Report lodged against the Appellants is quashed. The Appeal is allowed. However, this order should not be treated as a precedent.”

11. This Court in ***Ram Lal and others Vs. State of Haryana and another, 2008 (2) RCR (Criminal) 823***, has also held that when parties entered into compromise, but one of the parties backed out for no reasons, FIR deserved to be quashed despite backing out of the party. Similar view has been taken in ***Deepak Arora Vs. State of Haryana and another, 2015(7) RCR (Criminal) 649*** and ***Nishan Singh Vs. State of Punjab and another, 2018 (4) Law Herald 3393***.

12. In view of the aforesaid facts and circumstances and the legal position noticed above and also considering the fact that respondent No.2-complainant is not coming forward to contest the petition or to refute the contention of the petitioners that she has already received the entire amount as per compromise, it is held that continuation of the proceedings against the

petitioners in the FIR in question shall be gross misuse of process of law.

13. Consequently, this petition is allowed. FIR No.60 dated 31.01.2022 under Sections 406/420 IPC registered at Police Station Pinjore, Panchkula and also subsequent proceedings arising therefrom, on the basis of compromise dated 08.11.2022 (Annexure P2), are hereby quashed.

17.05.2024

Vivek

(DEEPAK GUPTA)
JUDGE

<i>Whether speaking/reasoned?</i>	<i>Yes</i>
<i>Whether reportable?</i>	<i>No</i>