



IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH
(128)

CRM-M-23030-2024 (O & M)
Date of decision:08.05.2024

Rajiv Kumar Chugh Petitioner
V/s
State of Haryana and anr. ...Respondents

CORAM: HON’BLE MR. JUSTICE JASJIT SINGH BEDI

Present: Mr. Abhimanyu Batra, Advocate,
for the petitioner.

Mr. Rupinder Singh Jhand, Addl.A.G., Haryana.

Ms. Yashasvi Kapila, Advocate,
for respondent No.2/complainant.

JASJIT SINGH BEDI, J. (Oral)

This is a petition under Section 482 of Cr.P.C. for quashing of
FIR No.0676 dated 26.04.2023 under Section 174-A IPC registered at Police
Station Karnal Civil Lines, District Karnal and all other subsequent
proceedings arising therefrom.

2. The brief facts of the case are that a complaint under Section
138 of Negotiable Instruments Act was instituted against the petitioner-Rajiv
Kumar Chugh being the director of M/s Four Fresh Retail Pvt. Ltd. at the
instance of the complainant-Satish Kumar. Initially, the petitioner had
appeared and was released on bail by the Trial Court. But thereafter, due to
certain reason neither he could appear before the Trial Court nor he could



inform his counsel. Therefore, vide order dated 11.03.2022 (Annexure P-3) passed by the Trial Court, the petitioner was declared a proclaimed offender, pursuant to which an FIR No.0676 dated 26.04.2023 (Annexure P-1) under Section 174-A IPC had been ordered to be registered against the petitioner.

3. Subsequently, the petitioner/accused approached to the complainant, compromised the matter and the dispute between the parties was settled for Rs.8,50,000/- as full and final settlement. The petitioner-accused gave a demand draft of Rs.50,000/- and it was agreed that the remaining amount would be paid at the time of withdrawal of the complaint under Section 138 of the Negotiable Instruments Act. Thereafter, on 01.05.2024, the petitioner had made the payment of the balance amount in terms of the compromise dated 25.09.2023 (Annexure P-4). On 02.05.2024, Mr. Narender Sharma, Advocate for the complainant, appeared before the Court of Judicial Magistrate Ist Class, Karnal and suffered a statement that as per the instructions of the complainant, he did not want to pursue the complaint under Section 138 of the N.I. Act and withdrew the same. Therefore, the complaint in question was dismissed as withdrawn vide order dated 02.05.2024 (Annexure P-7). In view of the dismissal of the complaint under Section 138 of Negotiable Instruments Act on the basis of the compromise, the present petition has been filed for quashing of aforesaid FIR No. 0676 dated 26.04.2023 under Section 174-A IPC registered at Police Station Karnal Civil Lines, District Karnal (Annexure P-1) and all other subsequent proceedings arising therefrom.



4. The learned counsel for the petitioner submits that the present FIR came to be registered against the petitioner due to his non-appearance in the aforementioned complaint. Thereafter, the matter was compromised between the parties and the petitioner- accused had made the payment of the entire settled amount to the complainant. On 02.05.2024, the complainant through his Advocate got recorded a statement before the Trial Court that since the matter had been compromised between the parties, he did not want to proceed further with the complaint and wanted to withdraw the same. Based on the said statement, the complaint was dismissed as withdrawn vide order dated 02.05.2024 (Annexure P-7).

5. The learned State counsel has opposed the present petition and has submitted that the FIR had been correctly registered.

6. The learned counsel for the complainant, on the other hand, admits the factum of compromise and submits that he has no objection if the present petition is allowed and the FIR (Annexure P-1) is quashed.

7. This Court has heard the learned counsel for the parties and has perused the paper-book.

8. From the above-said facts and circumstances, it is apparent that the present FIR was registered in view of the fact that the petitioner was declared as a proclaimed person in the proceeding under Section 138 of the Act of 1881. The impugned complaint under Section 138 of the Act of 1881 itself has been withdrawn.



9. A co-ordinate Bench of this Court in **CRM-M-43813-2018** titled as “**Baldev Chand Bansal vs. State of Haryana and another**”, decided on 29.01.2019 has held as under:-

“Prayer in this petition is for quashing of FIR No.64 dated 15.02.2017 filed under Section 174-A of the Indian Penal Code registered at Police Station Sector-5, Panchkula and all other subsequent proceedings arising thereof as well as order dated 24.10.2016 passed by the trial Court vide which a direction was issued to register the aforesaid FIR.

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*Learned counsel for the petitioner has relied upon the decisions rendered by this Court in “ **Vikas Sharma vs. Gurpreet Singh Kohli and another (supra)**, 2017, (3) L.A.R.584, **Microqual Techno Limited and others Vs. State of Haryana and another**, 2015 (32) RCR (Crl.) 790 and “**Rajneesh Khanna Vs. State of Haryana and another**” 2017(3) L.A.R. 555 wherein in an identical circumstance, this Court has held that since the main petition filed under Section 138 of the Act stands withdrawn in view of an amicable settlement between the parties, therefore, continuation of proceedings under Section 174A of IPC shall be nothing but an abuse of the process of law.*

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In view of the same, I find merit in the present petition and accordingly, present petition is allowed and the impugned order dated 24.10.2016 passed by Judicial Magistrate, 1st Class, Panchkula as well as FIR No.64



dated 15.02.2017 registered under Section 174-A of the Indian Penal Code at Police Station Sector-5, Panchkula and all other subsequent proceedings arising thereof, are hereby quashed.”

10. A perusal of the above judgment would show that in a similar case where the FIR had been registered under Section 174-A IPC in view of the order passed in proceedings under Section 138 of the Act, while declaring the petitioner therein as a proclaimed offender, a co-ordinate Bench after relying upon various judgments observed that once the main petition under Section 138 of the Act stands withdrawn in view of an amicable settlement between the parties, the continuation of proceedings under Section 174-A IPC is nothing but an abuse of the process of law. The said aspect was one of the main considerations for allowing the petition and setting aside the order declaring the petitioner therein as a proclaimed person as well as for quashing of the FIR under Section 174-A IPC.

11. Another co-ordinate Bench of this Court in a case titled as **“Ashok Madan vs. State of Haryana and another”** reported as **2020(4) RCR (Criminal) 87** has also held as under:-

“No doubt, the learned counsel for the respondent has vehemently argued that the offence under Section 174A I.P.C. is independent of the main case, therefore, merely because the main case has been dismissed for want of prosecution, the present petition cannot be allowed, however, keeping in view the fact that the present FIR was registered only on account of absence from the



proceedings in the main case which had been subsequently regularised by the court while granting bail to the petitioner, the default stood condoned. In such circumstances, continuation of proceedings under Section 174A I.P.C. Shall be abuse of the process of court.

7. Accordingly, the petition is allowed. FIR No.446 dated 21.08.2017, registered under Section 174A I.P.C. At Police Station Kotwali, District Faridabad, as well as consequential proceedings shall stand quashed.”

12. A perusal of the relevant extract of the above judgment would show that where the main case was dismissed for want of prosecution, it was observed that the continuation of proceedings under Section 174-A IPC shall be an abuse of the process of court. A similar view has been expressed by this Court in “Anil Kumar Versus Jitender Kumar and another, CRM-M-5878-2022 decided on 06.04.2022”, “Anil Kumar Versus Jitender Kumar and another, CRM-M-5755-2022 decided on 06.04.2022” and “Varinder Kumar @ Virender Kumar Versus State of Haryana and another, CRM-M-42551-2021 decided on 19.04.2022”.

13. In the present case the proceedings under Section 138 NI Act have culminated in a settlement with the withdrawal of the complaint under Section 138 NI Act.

14. In view of the above, the present petition is allowed and subject to a deposit of 15% of the cheque amount of Rs.21,00,000/- as costs with the Day Care Centre for Elderly Disabled in home for Old and Destitute



26.04.2023 under Section 174-A IPC registered at Police Station Karnal Civil Lines, District Karnal (Annexure P-1) and all other subsequent proceedings arising therefrom are hereby quashed qua the petitioner only.

(JASJIT SINGH BEDI)
JUDGE

May 08, 2024
sukhpreet

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