



**CRM-M-28673-2025 &
CRM-M-28684-2025**

1

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

127

Date of Decision: July 14, 2025

1. CRM-M-28673-2025

Rajnish Kumar and another

.....Petitioners

Versus

State of Punjab and another

.....Respondents

2. CRM-M-28684-2025

Rajnish Kumar and another

.....Petitioners

Versus

State of Punjab and another

.....Respondents

CORAM: HON'BLE MR. JUSTICE SANJAY VASHISTH

**Present: Mr. Jaideep Verma, Advocate,
for the petitioners.**

Mr. Neeraj Madaan, Senior Deputy Advocate General, Punjab.

**Mr. Himanshu Chhabra, Advocate,
for respondent No. 2.**

SANJAY VASHISTH, J.

1. This order shall dispose of two petitions, i.e. CRM-M-28673-2025 and CRM-M-28684-2025, which have been filed by the petitioners, namely, (1) Rajnish Kumar; and (2) Santosh Rani, as the factual backdrop of both the petitions is same.

Prayer in CRM-M-28673-2025:

2. Instant petition, under Section 528 of the BNSS, 2023 (earlier Section 482 Cr.P.C.), has been filed for quashing of the orders dated 24.07.2023 and 07.08.2023 (Annexures P-3 & P-4, respectively), passed by Judicial Magistrate Ist Class, Kharar, in Complaint No. NACT/406/2020, dated 22.10.2020, titled as "Naresh Kumar v. Rajnish



**CRM-M-28673-2025 &
CRM-M-28684-2025**

2

Kumar and another’, under Section 138 of the Negotiable Instruments Act, 1881 (for short, ‘the NI Act’) read with Section 420 IPC (Annexure P-1), filed by Naresh Kumar (respondent No. 2 herein). After following due process of law, the petitioners were declared as ‘proclaimed person/absconder’, and intimation was also ordered to be sent to the concerned SHO/SSP, vide orders dated 24.07.2023 (Annexure P-3) and 07.08.2023 (Annexure P-4).

Prayer in CRM-M-28684-2025:

3. In this petition, the petitioners have sought quashing of FIR No. 92, dated 03.12.2024 (Annexure P-5), under Section 174-A of IPC, registered at Police Station City Kurali, District S.A.S. Nagar (Mohali), along with all consequential proceedings arising therefrom. The said FIR has been registered against the petitioners pursuant to the passing of orders dated 24.07.2023 and 07.08.2023 (Annexures P-3 & P-4, respectively), in the aforementioned complaint case (Annexure P-1).

Brief facts:

4. Respondent No. 2: Naresh Kumar filed a complaint dated 22.10.2020 (Annexure P-1), under Section 138 of the NI Act read with Section 420 IPC, by asserting that the petitioners have failed in discharging their legal liability, inasmuch as, Cheque No. 966973, dated 07.09.2020, for a sum of ₹10,00,000/-, and Cheque No. 966972, dated 07.09.2020, for a sum of ₹5,00,000/-, drawn on State Bank of India, issued by the petitioners to the complainant, were dishonoured when presented to the bank, due to insufficient funds.

5. The said complaint was taken up in the National Lok Adalat, held on 11.12.2021, where the petitioners/accused made a statement that



**CRM-M-28673-2025 &
CRM-M-28684-2025**

3

they have compromised the dispute with respondent No. 2/complainant, and undertook to pay back an amount of ₹7,00,000/- to the complainant in four installments of ₹1,75,000/- each per month from 07.02.2022, against the total cheque amount of ₹15,00,000/-. Respondent No. 2/complainant, who was also present in the Court, admitted statement suffered by the petitioners. Accordingly, the case was adjourned to 07.02.2022, for making payment by the petitioners/accused.

6. Since the petitioners did not turn up before the Court, proceedings under Section 82 Cr.P.C. were started against them, eventually orders dated 24.07.2023 and 07.08.2023 (Annexures P-3 & P-4, respectively) were passed by the Trial Court. Thereafter, FIR (supra) was also registered against the petitioners.

7. Now, the petitioners have filed these two petitions for quashing of the impugned proceedings, primarily on the basis of compromise dated 09.04.2025 (Annexure P-6), arrived at between the petitioners and respondent No. 2/complainant.

8. Learned counsel for the petitioners submits that the petitioners are illiterate persons and were not aware about the criminal proceedings and impugned orders. Only due this reason, firstly impugned orders dated 24.07.2023 and 07.08.2023 were passed, and secondly FIR No. 92, dated 03.12.2024, under Section 174-A IPC, has been registered against the petitioners. Further submits that in the month of April, 2025, when petitioners came to know of passing of impugned orders as well as other consequential proceedings, they approached respondent No. 2 and again settled all the disputes with him, vide formal compromise dated 09.04.2025 (Annexure P-6). According to the said compromise, out of



**CRM-M-28673-2025 &
CRM-M-28684-2025**

4

the total amount of ₹7,00,000/-, a sum of ₹1,50,000/- has already been paid to respondent No. 2. With respect to the remaining amount of ₹5,50,000/-, petitioners have undertaken to pay the same on or before 28.07.2025. It has also been agreed between the parties that respondent No. 2 has no objection if the impugned orders and subsequent FIR (supra) are quashed.

9. Learned counsel further submits that during the pendency of present petitions, respondent No. 2/complainant also moved an application before the Court below, for seeking permission to withdraw the complaint dated 22.10.2020 (Annexure P-1). Separate statement has also been suffered to the effect that the matter has been compromised between the parties. Accordingly, said complaint has already been dismissed as withdrawn, vide order dated 10.06.2025.

In support of his contention, counsel for the petitioners has furnished copy of the order dated 10.06.2025, passed by learned Sub Divisional Judicial Magistrate, and the same reads as under:

“NACT-406-2020 Naresh Kumar Vs. Rajnish Kumar

Present: Complainant with counsel Sh. Hemant Burmi Advocate.

An application is filed by complainant seeking permission to withdraw the present complaint. Original file is received from the record room. Ahlmad is directed to restore it to its original number. Complainant along with his Counsel has suffered a separate statement to the effect that the matter has been compromised between the parties vide compromise Ex.CX and in view of Ex.CX, he withdraws the present complaint.

In view of the above-said statement given by the complainant along-with his counsel, the present complaint is dismissed as withdrawn. File be consigned to the record room.



**CRM-M-28673-2025 &
CRM-M-28684-2025**

5

Pronounced in open court:

(Hasan Deep

Singh Bajwa)

Date of Order: 10.06.2025

Sub Divisional Judicial

Magistrate

UID NO . PB00387”

In support of his submissions, learned counsel relies upon judgment of the Co-ordinate Bench of this Court in the case of **Randhir Singh Tyagi v. State of Haryana and another** (CRM-M-47657-2022, decided on 17.10.2022).

10. Notice of motion in both the petitions.

11. Mr. Neeraj Madaan, Senior Deputy Advocate General, Punjab, who is present in the Court, accepts notice on behalf of respondent – State, whereas Mr. Himanshu Chhabra, Advocate, accepts notice on behalf of respondent No. 2, and filed his Power of in both the cases, which are taken on record. Registry to tag the same at appropriate place in the respective files.

12. In view of the settled proposition of law, wherein, several other similar matters have already been decided by this Court, learned State counsel has no serious and authentic submissions before this Court to oppose the prayer made in present petition. Learned counsel for the respondents did not dispute the factual position and while acknowledging the submissions addressed by learned counsel for the petitioners, no objection has been raised, especially on behalf of respondent No. 2/complainant, in quashing of the impugned orders and the FIR (supra). Learned counsel for respondent No. 2/complainant admitted in specific about the fact that the petitioners and respondent No. 2/complainant have already settled the dispute amicably and the parties have arrived at a compromise, dated 09.04.2025 (Annexure P-6).



13. I have heard learned counsel for the parties and with their able assistance gone through the material available on record of these petitions.

14. Undisputedly, primary proceedings under Section 138 of the NI Act, in the complaint filed by respondent No. 2/ complainant, have already culminated that too after the same has been withdrawn by the complainant himself, vide order dated 10.06.2025, passed by the trial Court. The private parties have amicably resolved their dispute and entered into a compromise dated 09.04.2025 (Annexure P-6).

Under these circumstances, once the proceedings under Section 138 of the NI Act stands withdrawn on the basis of compromise, continuation of the FIR (supra), under Section 174-A of IPC, is nothing but an abuse of the process of law. Law on this point is well settled, and reliance can be placed upon judgment rendered by this Court (Punjab and Haryana High Court) in the case of **Microqual Techno Limited and others v. State of Haryana and another**, 2015(32) RCR (Criminal) 790, which has also been followed in the case of **Jitender Singh v. State of Haryana and another** (CRM-M-47891-2021, decided on 16.11.2021); and **Pankaj Sharma v. State of Haryana and another** (CRM-M-34291-2022, decided on 05.09.2022).

15. In view of above, prayers made in these petitions are allowed. Impugned orders dated 24.07.2023 and 07.08.2023 (Annexures P-3 & P-4, respectively), passed by Judicial Magistrate Ist Class, Kharar, in Complaint No. NACT/406/2020, dated 22.10.2020, titled as “Naresh Kumar v. Rajnish Kumar and another”, which are subject matter of challenge in CRM-M-28673-2025, are set aside.



**CRM-M-28673-2025 &
CRM-M-28684-2025**

As a necessary corollary, FIR No. 92, dated 03.12.2024 (Annexure P-5), under Section 174-A of IPC, registered at Police Station City Kurali, District S.A.S. Nagar (Mohali), along with all consequential proceedings arising therefrom are also quashed.

16. **CRM-M-28673-2025 and CRM-M-28684-2025 stand disposed of.**

**(SANJAY VASHISTH)
JUDGE**

July 14, 2025
Pkapoor

Whether speaking/reasoned	Yes
Whether reportable	No