

**CRM-M-34324-2024****-1-****IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH****CRM-M-34324-2024****Date of decision: 20.02.2025****Arvinder Singh****...Petitioner****Versus****State of Haryana and others****...Respondents****CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR**

Present: Mr. Umesh Aggarwal, Advocate
for the petitioner.

Mr. Tajender Joshi, Advocate with Mr. Ram Pal Kohli, Advocate
for respondent No. 2.

Ms. Nandini Sharma, Advocate
for respondent No. 3.

HARPREET SINGH BRAR, J. (ORAL)

1. The present petition has been preferred under Section 482, Code of Criminal Procedure, 1973 (hereinafter 'Cr.P.C.') (now section 528 BNSS) seeking quashing of FIR No. 358 dated 08.11.2022 under sections 420, 120-B of Indian Penal Code (hereinafter IPC) registered at Police Station Rajendra Park, Gurugram (Annexure P-3) and further quashing of Challan filed in FIR (supra) (Annexure P-4) and stay of further proceedings in the FIR (supra).

2. Succinctly, the facts of the case are that the petitioner is the former director of M/s Agrante Realty, and respondent no. 2 booked one flat in the project namely "Kavyam" of the petitioner's company and in lieu paid Rs. 5,70,000/- to the petitioner. Thereafter, the petitioner refused to sign the buyer agreement and provide the required documents owing to which the respondent

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no. 2 was unable to get the loan sanctioned from the bank. Subsequently, the allotment of respondent no. 2 was wrongly cancelled on account of non payment of remaining amount. Thereafter, respondent no. 2 filed a complaint before the learned Judicial Magistrate First Class, Gurugram (Annexure P-1) and vide order dated 05.11.2022 (Annexure P-2), directions were issued to the concerned Station House Officer (SHO) to register the FIR (supra).

3. The learned counsel for the petitioner *inter alia* contends that the allotment of respondent no. 2 was cancelled owing to his failure to pay the remaining amount in stipulated time. Further, the entire dispute between the petitioner and respondent no. 2 was settled by executing a detailed compromise dated 17.01.2023 (Annexure P-5). It is pertinent to mention that respondent no. 2 paid Rs. 5,70,000/- to the petitioner and the settlement was arrived at Rs. 6,25,000/- all inclusive of interest and legal expenses (Annexure P-5). Further, in lieu of which Rs. 3,00,000/- was paid vide cheque bearing no. 403551 dated 17.01.2023 and remaining Rs. 3,25,000/- vide demand draft bearing no. 003229 dated 15.02.2023 (Annexure P-6). The compromise deed was (Annexure P-5) affected by the company through respondent No. 3 (authorized representative of the company). Consequently, it was mutually agreed that on receiving the payment, the respondent no. 2 shall make the statement before the concerned IO regarding the settlement in lieu of which respondent no. 2 issued the letter dated 15.02.2023 to the SHO(Annexure P-7). Thereafter, as per the settlement the parties were to approach the learned Trial Court regarding the compounding of an offence, however, respondent no. 2 refused to file the same.



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Further, the respondent no. 2 is refraining to record his statement in pursuance of receiving full and final payment owing to the settlement arrived.

4. Having heard the learned counsel for the parties and after perusing the record of the case with their able assistance, it transpires that the matter had been compromised between the parties by executing a detailed settlement deed dated 17.01.2023 (Annexure P-5). From the perusal of the settlement deed it is evident that respondent no. 2 had agreed to withdraw all cases filed against the petitioner on receipt of the agreed sum of Rs. 6,25,000/- in lieu of principal amount paid, interest thereupon and legal expenditure incurred. Thereafter, the respondent no. 2 has clearly refuted from filing an application for compounding of offence and refrained from recording his statement in pursuance to the settlement arrived(supra). As such, respondent No.2 has clearly resiled from the compromise after deriving benefit from it .

5. A two Judge bench of the Hon'ble Supreme Court in ***Ruchi Agarwal vs. Amit Kumar Agarwal 2004(4) R.C.R(Criminal) 949***, speaking through Justice Umesh C. Banerjee, opined as follows:

7. 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."



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Further, the Hon'ble Supreme Court in the case of *Mohd. Shamim Vs. Smt. Nahid Begum, 2005 (1) RCR (Criminal) 697*, opined that wherein after entering into a compromise, and receiving the compromised amount, the continuation of the proceedings will be nothing but misuse of process of law, even if the complainant later on backed out.

Further the Co-ordinate Bench of this Court in *Ram Lal and others v. 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 *Nishan Singh v. State of Punjab and another, 2018 (4) Law Herald 3393*.

Further the Co-ordinate bench of this Court in the case of *Zafra vs. State of Haryana, 2024 NCPHHC 28326*, quashed the FIR and all the subsequent proceeding on the pretext of compromise affected during the pendency of FIR and civil suit. Reliance can also be placed on the case of Co-ordinate bench of this Court in *Deepak Arora vs. State of Haryana and another, 2015 (7) RCR (Criminal) 649* and *Anand Kumar vs. State of Haryana, 2018(4) RCR (Criminal) 457*, wherein the Court proceeded with quashing the FIR where after taking the benefit of the compromise, the complainant did not turn up to make statement.

It is pertinent to mention that the Co-ordinate Bench of this Court in the case of *Sunit Majumdar and others vs. Union Territory of Chandigarh*

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and Another, 2023 NCPHHC 92931, speaking through Justice Deepak Gupta,

made the following observations:

9. In view of the aforesaid facts and circumstances and the legal position noticed above and also considering the facts that respondent no. 2 complainant has not come forward to contest the petition or to refute the contention of the petitioner that he has already received the settlement money as per the compromise, continuation of the proceedings in the FIR in question shall be gross misuse of process of law.

In addition to above observations the Co-ordinate Bench of this Court in **Hardeep Singh v. State of Punjab, 2024 NCPHHC 139028**, opines that resiling from the compromise is immaterial and the continuation of the present case would be an abuse of the process of the Court.

6. On the touchstone of the law discussed here-in-above, the present petition is allowed and FIR No. 358 dated 08.11.2022 under section 420, 120-B of IPC registered at Police Station Rajendra Park, Gurugram (Annexure P-3) and Challan filed in FIR (supra) (Annexure P-4) are hereby quashed.

7. Pending miscellaneous application(s), if any, shall also stand disposed of.

(HARPREET SINGH BRAR)
JUDGE

20.02.2025
Ajay Goswami

(i)	Whether speaking/reasoned	Yes/No
(ii)	Whether reportable	Yes/No