



CRM-M-62976-2023

1

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

218

CRM-M-62976-2023

Reserved on 24.07.2025

Decided on :08.08.2025

Ram Bhagat Bhardwaj

.....Petitioner

Versus

State of Haryana and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE SANJAY VASHISTH

Present: Mr. Rakesh Nehra, Sr. Advocate with
Mr. Sahil Nehra, Advocate
for the petitioner.

Mr. Amish Sharma, AAG, Haryana.

Mr. Anand Chhibbar, Sr. Advocate with
Mr. Vaibhav Sahni, Advocate
Mr. Shikhar Sarin, Advocate
Ms. Shreya B. Sarin, Advocate
for respondents No. 2 and 3.

SANJAY VASHISTH, J.

1. Petitioner-Ram Bhagat Bhardwaj has filed instant petition under Section 482 Cr.P.C. read with Section 439 (2) Cr.P.C., for setting aside the order dated 06.11.2023 (Annexure P-7) and for cancelling the bail granted to respondents No. 2 and 3 in FIR No.866 dated 06.10.2017, under Sections 406, 420, 506 IPC, registered at Police Station City Jind, District Jind.

2. FIR was registered at the instance of petitioner by alleging that he being a commission agent in Grain Market Jind had supplied 43735 of paddy bags weighing 50 kgs each worth approximately Rs.4.5 crores to respondents No. 2 and 3 (hereinafter referred as 'accused'). Infact, respondents No. 2 and 3 had represented themselves to be very

**CRM-M-62976-2023****2**

big businessmen with a clear intention of playing fraud with the petitioner. Paddy supplied to the private respondents was procured by the petitioner from *Kachha Ahrtias*, who were pressing hard constantly for payment of the amount of the paddy, which was taken and then supplied to the private respondents. After taking paddy from the petitioner, the amount of Rs.4,50,00,000/- due to be payable by the private respondents, was never paid and thus, for the fraud played by them for duping the petitioner FIR in question was registered against the accused.

3. Both the private respondents/accused filed a petition under Section 438 Cr.P.C. i.e. CRM-M-46963-2017 and during the pendency of hearing, the dispute was referred to the Mediation and Conciliation Centre of this Court, wherein settlement/compromise was arrived at between the parties on 14.02.2018. As per terms of the settlement private respondent/accused agreed to pay back an amount of Rs.3.65 Crores to the petitioner. An amount of Rs.50 lacs was handed over on 16.02.2018 and as per terms, remaining amount of Rs.3.15 Crores was to be paid by the accused in eight quarterly instalments of Rs.45 lacs each.

On the basis of the report dated 14.02.2018 forwarded by the Mediation Centre, interim bail granted to the accused was confirmed vide order dated 19.02.2018.

After allowing the anticipatory bail, accused never paid the amount and therefore, petitioner had to file a petition i.e. CRM-M-25129-2018 for cancellation of anticipatory bail by taking a specific ground that the undertaking given by the accused before the High Court /Mediation Centre has not been honoured. However, during the pendency of the



petition, two more instalments were paid by the accused. However, thereafter nothing was paid by taking defence that they are facing insolvency proceedings and now dispute is pending before the National Company Law Tribunal, Delhi (NCLT, Delhi) and thus expressed their helplessness to honour the compromise. Moreover, the petition filed by the petitioner for cancellation of anticipatory bail was also dismissed by this Court vide order dated 18.04.2022.

By challenging the order dated 18.04.2022 for cancellation of bail, petitioner filed Criminal Appeal No. 1841 of 2023 (in SLP (Crl.) No.5019 of 2022) before the Hon'ble Apex Court, which was allowed in favour of the petitioner herein, vide order dated 10.07.2023.

As a result of decision of the Hon'ble Apex Court both the accused were arrested, however, upon filing an application under Section 439 Cr.P.C., they were granted regular bail by learned Additional Sessions Judge, Jind vide order dated 06.11.2023. Both the accused had to remain in custody for a period of approximately one month and ten days and order granting regular bail under Section 439 Cr.P.C. has thus been challenged by the petitioner before this Court, by way of instant petition.

4. Addressing the arguments, learned Senior counsel for the petitioner primarily submits that proceedings before the Mediation and Conciliation Centre of the High Court are statutory in nature. Therefore, any violation of the terms of the compromise or failure to honour the undertaking given therein, cannot be taken lightly. It is argued that respondent Nos.2 and 3 should not be permitted to derive any undue advantage from such non-compliance, especially when they have already



forfeited the claim of equitable relief. Principle of equity also does not favour those, who act in disregard to the solemn settlements, without even challenge to the settlement arrived at, before the Mediation and Conciliation Centre of this Court.

To strengthen the submission, counsel relies upon Section 27 (1) of the Mediation Act, 2023, which reads as under:

*“27(1) A mediated settlement agreement resulting from a mediation signed by the parties and authenticated by the mediator shall be final and binding on the parties and persons claiming under them respectively and enforceable as per the provisions of sub-section (2).
(2) Subject to the provisions of section 28, the mediated settlement agreement shall be enforced in accordance with the provisions of the Code of Civil Procedure, 1908, in the same manner as if it were a judgment or decree passed by a court, and may, accordingly, be relied on by any of the parties or persons claiming through them, by way of defence, set off or otherwise in any legal proceeding.”*

Thus, Mr. Nehra, argued that violation is not only of the undertaking given by the accused and the terms recorded before the Mediation and Conciliation Centre of this court, rather it amounts disobedience of the Court order, because the proceedings before the Mediation and Conciliation Centre would have a force of a judgment and decree passed by the Competent Court of law. Infact, accused had played fraud with the Court also, because they entered into compromise before Mediation Centre of this Court and then succeeded in getting their plea of bail allowed. He also addresses that there are 19 other cases of similar



nature registered against both the accused, which have been detailed in paragraph No.8 of the petition.

Thus, on the basis of said submissions, prays for allowing of the petition by setting aside the order dated 06.11.2023 whereby, accused (respondents No.2 and 3) have been granted the concession of bail by the Court below under Section 439 Cr.P.C.

5. On the other hand, Mr. Anand Chhibbar, Sr. Advocate argues that petition itself is not maintainable, because terms of the compromise, were recorded in the proceedings of anticipatory bail petition and the order vide which anticipatory bail was granted to the respondents No. 2 and 3/accused, has already been set aside, on assailing the same before the Apex Court. And as a consequence, respondents No. 2 and 3/accused had to remain inside jail for a period of one month and ten days and thereupon, they have been released on regular bail and said bail is always subject to certain conditions.

Mr. Chhibbar, Sr. Advocate further argues that the proceeding of Mediation and Conciliation Centre had got merged with the order dated 19.02.2018, whereby order of interim anticipatory bail was made absolute. Said order, then was a subject matter before the Hon'ble Apex Court in Criminal Appeal No. 1841 of 2023 (in SLP (Crl.) No.5019 of 2022) also. In the final decision dated 10.07.2023 of the Hon'ble Apex Court, order dated 19.02.2018 had been set aside. Therefore, as a matter of fact on record, no terms and conditions recorded during Mediation proceedings do exist today and also, were never existing at the time of filing of the instant petition. Thus, there was no

**CRM-M-62976-2023****6**

cause for the petitioner to seek cancellation and that too on the basis of the terms which were recorded during the proceedings of Anticipatory bail before the High Court. Once, accused have been released on regular bail on different criteria and under different provision of law with altogether different terms and conditions, there is no cause left for the complainant to seek cancellation of bail on the basis of violation of non-existing terms.

In support of submissions, learned Senior Advocate relies upon judgment No. 1 to 4 and prays for dismissal of the petition by submitting that same is not maintainable.

- “1. ‘Uday Mohanlal Acharya Vs. State of Maharashtra’, 2001(5) SCC 453,*
- 2. ‘Sanjay Chandra Vs. Central Bureau of Investigation, 2012(1) SCC 40,*
- 3. ‘ Neeru Yadav Vs. State of Uttar Pradesh and Anr, 2014(16) SCC 508 and ;*
- 4. ‘Imran Vs. Mohammed Bhava and Anr’, 2022(13) SCC 70”*

6. I have examined the paper-book and the documents/orders appended thereto, apart, hearing of the respective Senior Advocates.

7. As per Section 27 of the Mediation Act, subject to the provision of Section 28 mediated settlement is enforceable as per the provisions of C.P.C. 1908, as if it were a judgment or a decree passed by a Court.

Apart the said provision, nothing has been pointed out by the counsel for the petitioner to conclude that on the basis of non-compliance of the terms, the violator has to face the punitive proceedings, or bail of accused is to be cancelled outrightly.

**CRM-M-62976-2023****7**

Moreover, I am impressed with the contention of Mr. Chhibbar, Sr. Advocate for respondents No. 2 and 3, who submitted that the terms were non-existent, once the order passed in pursuance to the terms has already been set aside by the Apex Court. Not only this, respondents No. 2 and 3 were arrested and also remained inside jail for a term of one month and ten days and then were released on regular bail, on the basis of different criteria, terms and conditions.

8. Moreover, Section 483(3) of BNSS (Section 439(2) Cr.P.C.), there are certain conditions under which bail can be cancelled. There is no such allegation of the petitioner before filing of the petition or even in the instant cancellation bail petition that respondents No. 2 and 3 have misused the concession in any manner, after being released by the lower Court under Section 439 of Cr.P.C. Neither any instance is highlighted, nor same is pointed out during the course of arguments that private respondents have ever threaten or influence the witness(s) in any manner. In the absence of any such allegation, prayer for cancellation of bail rather would not be maintainable.

In view of the discussions made hereabove, I do not find any merit in the petition and accordingly, same is hereby dismissed.

(SANJAY VASHISTH)
JUDGE

08th August, 2025
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Whether Speaking/Reasoned: **YES/NO**
Whether Reportable: **YES/NO**