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

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**CRM-M-24125-2015
Date of Decision: 05.05.2026**

AMARPREET SINGH AND ANR**.....PETITIONERS**

VERSUS

STATE OF PUNJAB AND ORS**...RESPONDENTS****CORAM: HON'BLE MR. JUSTICE H.S.GREWAL**

Present: Mr. R.S.Bajaj Advocate for the petitioners.
Mr. P.S.Pandher, Asstt. AG Punjab.
None for respondents No. 2 and 3.

H.S. GREWAL, J. (ORAL)

1. This petition has been filed under Section 482 of Cr.P.C seeking quashing of the impugned FIR No. 161/15 dated 21.05.2015 registered at Police Station Civil Lines Amritsar under Section 420 IPC as also consequential proceedings arising therefrom.

2. Brief facts of the case are that the petitioners had entered into an agreement to sell dated 15.05.2013 with respondents No. 2 and 3 qua the first floor of Flat No. 9 situated in the area of Tungwala Urban Abadi, Basant Avenue, Tehsil and District Amritsar. As per the said agreement, the total sale consideration of the flat was fixed at Rs. 26.00 lakhs, out of which an amount of Rs. 3.50 lakhs was paid as earnest money. The last date fixed for execution of the sale deed was 01.07.2013, with a condition that the balance sale consideration would be paid after handing over possession of the aforesaid flat.

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Thereafter, the complainant approached the petitioners for handing over possession of the flat, but they made an excuse that they had no other place to reside and assured that they would vacate the flat after two months and execute the sale deed after receiving the balance amount. On the second occasion as well, they made the same excuse. Subsequently, the complainant came to know that the petitioners had executed the sale deed in favour of some other persons on account of that the present FIR was registered against the petitioners.

3. Learned counsel for the petitioners submits that pursuant to the agreement to sell referred to hereinabove, the petitioners, after adjusting the earnest money amounting to Rs. 3.50 lakhs, executed the sale deed qua the first floor of Flat No. 9 in favour of Kapil son of Satpal , Kapil Dev and Joginder Pal at the instance of respondents No. 2 and 3 on 24.06.2013. He further submits that, similarly, with regard to the second floor, respondents No. 2 and 3 had requested the petitioners to execute the sale deed in favour of Kapil, Rakesh Kumar and Joginder Pal. It is further submitted that after an unexplained delay of more than one and a half years, the complainant submitted a complaint before the Commissioner of Police, Amritsar alleging cheating against the petitioners. Upon a detailed inquiry, a report was submitted concluding that the complainant had unnecessarily implicated the petitioners after considerable delay and, therefore, no action was warranted on the said complaint. Learned counsel further contends that in the earlier complaint, the dispute pertains only to the date of execution of the sale deed concerning one floor of the property. Thereafter, another complaint dated 29.04.2015 was made



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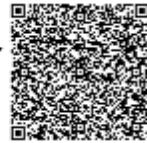
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on similar allegations qua the first floor, which ultimately led to the registration of the present FIR.

4. Learned counsel for the petitioner argues that basically the dispute between the parties pertains to an agreement to sell and is essentially civil in nature. He submits that, as per the settled position of law, a purely civil dispute cannot be given the colour of a criminal offence. He further submits that even a civil suit between the parties is already pending. It is further contended that the police hurriedly registered the impugned FIR against the petitioner and that a bare reading of the FIR itself would show that the essential ingredients of Section 420 IPC are not even made out. Therefore, the impugned FIR and all consequential proceedings arising therefrom are liable to be quashed. Learned counsel further submits that the sale deeds were executed at the instance of the complainant himself and, thereafter, frivolous criminal proceedings have been initiated with an oblique motive. It is also contended that the complainant has neither filed any civil suit for specific performance nor challenged the said sale deeds before the competent Civil Court, which is the appropriate remedy available to him under law.

5. In support of his contentions, he has relied upon the judgment passed by the Hon'ble Supreme Court in Criminal Appeal No. 5000 of 2025 titled as "Inder Chand Bagri vs. Jagdish Prasad Bagri and Another" ; 2025(4) Law Herald (SC) 3161, wherein it has been held as under:

20. It is settled law that for establishing the offence of cheating, the complainant/respondent No.1 was required to show that the appellant-accused had a fraudulent or dishonest intention at the time of making a promise or



representation of not fulfilling the partnership agreement. Such a culpable intention right at the beginning cannot be presumed but has to be made out with cogent facts. In the facts of the present case, there is a clear absence of material on record to attribute any dishonest and fraudulent intention to the appellant-accused at the time of creation of partnership agreement. We must hasten to add that there is no allegation in the complaint indicating either expressly or impliedly any intentional deception or fraudulent/dishonest intention on the part of the appellant-accused right from the time of formation of the partnership deed. Nothing has been said on what the misrepresentations were and how the appellant-accused intentionally deceived the complainant/respondent No.1. Mere allegations that the appellant-accused dishonestly induced the complainant/respondent No.1 to part with the property of the partnership firm and subsequently sold the property to a third party does not satisfy the test of dishonest inducement to deliver a property or part with a valuable security as enshrined under [Section 420](#) of the IPC.

25. Furthermore, in Inder Mohan Goswami, it was held by this Court that the Court must ensure that criminal prosecution is not used as an instrument of harassment or for seeking private vendetta or with an ulterior motive to pressurise the accused. It was further held by this Court that it is neither possible nor desirable to lay down an inflexible rule that would govern the exercise of inherent jurisdiction. In view of the above and for the reasons stated above, we are of the firm opinion that to continue the criminal proceedings against the appellant-accused herein would cause undue harassment to him because as



observed hereinabove, no prima facie case for the offence under Sections 406 or 420 of the IPC is made out.

28. At this juncture, we find it apposite to mention the observations of this Court in Vishal Noble Singh v. State of Uttar Pradesh, (2024) 14 SCC 112 wherein it was observed that in recent years the machinery of criminal justice is being misused by certain persons for their vested interests and for achieving their oblique motives and agenda. Courts have therefore to be vigilant against such tendencies and ensure that acts of omission and commission having an adverse impact on the fabric of our society must be nipped in the bud. We say so for the reason that while the complainant/respondent No. 1 has made grave allegations against the appellant herein, he has failed to justify the same before this Court. Such actions would create significant divisions and distrust among people, while also placing an unnecessary strain on the judicial system, particular criminal courts.

6. Per contra, learned State Counsel also argued that since the trial Court has already taken cognizance of the offence, this Court should refrain from exercising its inherent jurisdiction under Section 482 of Cr.P.C. and prayed for dismissal of the present petition.

7. None has put in appearance on behalf of respondents No. 2 and 3.

8. I have heard the submissions made by ld. counsel for the parties and have gone through the documents and other material available on record with their able assistance.

9. Keeping in view the facts and circumstances of the case and from a bare perusal of the FIR as well as the material placed on record, it shows that



the allegations primarily relate to an agreement to sell and the subsequent execution of sale deeds. The dispute between the parties, at its core, is contractual in nature. However, the complainant got the FIR registered after a delay of more than one and a half years. It appears that the complainant has attempted to give a criminal colour to a civil dispute. It is well settled that where the dispute is predominantly civil in nature, criminal proceedings cannot be permitted to be used as a tool for coercion or harassment. In the present case, the complainant has also failed to avail the appropriate civil remedies available under the law.

10. Thus, this Court is of the considered view that every act breach of trust may not constitute penal offence of criminal breach of trust. The breach of trust involves civil wrong in respect of which a person may seek his remedy for damages in Civil Court. Therefore, the case in hand deserves to be allowed. Moreover, it is a settled principle of law that the High Court is entitled to quash proceedings if it is of the opinion that continuation proceedings thereof would amount to an abuse of the process of law. In this regard, this Court takes its support from the judgment of Hon'ble Supreme Court in the matter of ***State of Karnataka Vs. L. Muniswamy and others, (1977) 2 SCC 699***, in which the Hon'ble Supreme Court has observed as under:

“7.....In the exercise of this wholesome power, the High Court is entitled to quash a proceeding if it comes to the conclusion that allowing the proceeding to continue would be an abuse of the process of the Court or that the ends of justice require that the proceeding ought to be quashed. The saving of the High Court's inherent powers, both in civil and criminal matters, is designed to



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achieve a salutary public purpose which is that a court proceeding ought not to be permitted to degenerate into a weapon of harassment or persecution. In a criminal case, the veiled object behind a lame prosecution, the very nature of the material on which the structure of the prosecution rests and the like would justify the High Court in quashing the proceeding in the interest of justice....."

11. In light of the above, the present petition is allowed and impugned FIR No. 161/15 dated 21.05.2015 registered at Police Station Civil Lines Amritsar under Section 420 IPC as well as all consequential proceedings arising therefrom are hereby quashed.

05.05.2026

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(H.S.GREWAL)
JUDGE

Whether speaking/ reasoned :
Whether Reportable :

Yes/No
Yes/No