



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

(135)

**CRM-M-44529-2018
DATE OF DECISION: 24.03.2026**

Anil Verma

.....Petitioner

VERSUS

State of Haryana and another

.....Respondents

CORAM HON'BLE MR. JUSTICE SUBHAS MEHLA

Present Mr.Gaurav Mohunta, Senior Advocate,
with Ms. Diksha Mahajan, Advocate,
for the petitioner.

Mr. Karan Veer Singh, Sr.DAG, Haryana.

Mr. Sunil Kumar Dhanda, Advocate,
for respondent no.2.

SUBHAS MEHLA, J (ORAL)

1. Present petition has been filed under Section 482 Cr.P.C for quashing of impugned FIR No.325 dated 30.11.2016, under Sections 406 and 420 IPC, registered at Police Station Narwana City, District Jind, Haryana (Annexure P-1) along with all consequential proceedings arising therefrom.

2. Brief facts of the case are that the petitioner had executed a sale deed dated 18.08.2015 in favour of the complainant with respect to the land in question and had also delivered physical possession thereof. Subsequently, the petitioner executed another sale deed dated 04.09.2015 qua the same land, in favour of Saroj Devi. Hence, the present FIR is lodged.



3. Learned senior counsel for the petitioner contended that no offence under Section 420 or 406 of IPC is made out against the present petitioner. The true facts of the case are that vide sale deed no. 3801 dt. 18.08.2015, the property in question was sold to the complainant; thereafter the same property is alleged to have been sold by the petitioner to one Saroj Devi vide sale deed no. 4271 dated 04.09.2015. At the time of execution of sale deed, the possession of land was also delivered to the complainant; subsequently, vide sale deed dated 09.01.2018, the complainant has further sold the property in question to one Jaipal; thus, no wrongful loss has been caused to complainant, hence, no ingredients are made out to constitute alleged offences against the complainant. Ergo, the complainant lacks the locus standi to file the FIR in the present set of facts and circumstances. At most, the victim, if any, is the subsequent purchaser, who has not lodged any criminal complaint, rather, a suit for declaration dated 29.01.2018 was filed against the petitioner, Seema (complainant) and Jaipal (person to whom complainant sold the property in question), which was later on withdrawn by subsequent purchaser Saroj Rani, vide order dated 30.05.2018. Ld. Counsel for petitioner sought to place reliance on ***Md. Ibrahim v. State of Bihar, 2009 INSC 1110***, wherein on a similar set of facts, the Hon'ble Supreme Court held that in such a case it is the purchaser who was cheated and not the owner of the property, and FIR lodged by owner under Section 420 of IPC against the accused was quashed. Hence, learned senior counsel submitted that the complainant does not have any legitimate grievance



against the present petitioner, and prayed for quashing of the impugned FIR.

4. On the other hand, Mr. Karan Veer Singh, Sr.DAG, Haryana, appeared on behalf of respondent/State. Learned State counsel submitted that reply to the petition on behalf of respondent no.1/State has been filed by way of an affidavit of Jagat Singh, HPS, Deputy Superintendent of Police, Narwana, District Jind, and as per reply, impugned FIR was lodged on the complaint of respondent No.2 under Sections 406 and 420 IPC, at Police Station City Narwana regarding fraudulent sale and multiple transactions of the same parcel of land by the petitioner and co-accused, thereby cheating the complainant; that during investigation, conducted initially by ASI Satish Kumar and thereafter by the Economic Offences Wing, Jind, sufficient and cogent evidence surfaced against the petitioner Anil Verma and co-accused Pawan Kumar Verma. Both accused were joined in investigation, arrested, and upon completion of investigation, final report under Section 173(2) Cr.P.C. was presented before the competent Court on 01.02.2018. The learned trial Court has already framed charges vide order dated 19.04.2018 and the matter is presently at the stage of prosecution evidence; that the allegations involve serious offences of cheating and criminal breach of trust, and the plea of innocence raised by the petitioner cannot be adjudicated at this stage. It is argued that the veracity of the allegations and defence of the petitioner can only be tested during trial upon appreciation of evidence; that the present petition is not maintainable, as it seeks evaluation of disputed facts and evidence, which is impermissible in proceedings under Section



482 Cr.P.C. Accordingly, it is prayed that the present petition may be dismissed.

5. Mr. Sunil Kumar Dhanda, Advocate, appeared on behalf of respondent no.2 and submitted that reply on behalf of respondent no.2 has been filed. Learned counsel opposed the petition by contending that the petitioner sold the same property which he sold to complainant vide registered sale deed dated 18.08.2015, to one Saroj Devi, vide registered sale deed dated 04.09.2015 and therefore, the present FIR is maintainable against the petitioner; that the petitioner cannot escape from the culpability for commission of offence merely because respondent no.2 has further sold the land to Jaipal; that he committed the crime with dishonest intention in a calculative manner to defraud respondent no.2/complainant as well as Saroj Devi (subsequent purchaser) and the petitioner received sale amount from both the vendees; that in this regard complaint was made by the husband of respondent no.2 to the Sub Divisional Officer (C), Narwana, wherein enquiry was conducted and the petitioner got recorded his statement stating that he sold the same land twice under mistake whereas the learned Sub Divisional Officer, (C), Narwana gave the finding that since within a period of 20 days two sale deeds have been executed for the same land and received sale consideration from both of them, therefore, he recommended criminal action against the petitioner. Hence, prayer for dismissal of the petition has been made.

6. Heard.



7. As per the facts and circumstances of the case, the present petitioner is alleged to executed two sale transactions in respect of the same property—first in favour of the complainant vide registered sale deed dated 18.08.2015, and thereafter in favour of one Saroj Devi (subsequent purchaser) vide registered sale deed dated 14.09.2015. The record further shows that the complainant, in turn, sold the property-in-question to one Jaipal vide registered sale deed dated 09.01.2018.

8. In the considered opinion of this Court, the complainant lacks the locus standi to lodge the present FIR as no wrongful loss has been caused to the complainant. Upon execution of the sale deed dated 18.08.2015, valid title as well as possession of the property stood transferred in favour of the complainant. The complainant thereafter further transferred the property to Jaipal vide registered sale deed dated 09.01.2018 and received the entire sale consideration. Thus, the complainant not only acquired a valid title and possession but also derived full monetary benefit from the transaction. Consequently, neither any wrongful loss has been caused to the complainant nor any corresponding wrongful gain accrued to the petitioner qua the said transaction.

9. As far as offence under Section 420 of IPC is concerned, the essential ingredients namely, the existence of dishonest intention at the inception of the transaction and inducement leading to delivery of property are absent as the valid title of the property was duly transferred to the complainant, possession was transferred and a registered sale deed was executed in the complainant's favour. The execution of a valid registered



sale deed, coupled with transfer of possession in favour of the complainant, negates any inference of fraudulent or dishonest intention at the inception. In such circumstances, the foundational requirements to constitute an offence under Section 420 IPC are not satisfied.

10. Moreover, the offences alleged are those under Sections 406 and 420 of IPC, which are the anti-thesis of each other. While the offence under Section 420 of IPC requires that the dishonest intention should develop at the very inception, however, offence under Section 406 of IPC i.e. Criminal Breach of Trust, requires entrustment, and thereafter the dishonest intention develops. The two offences, being conceptually distinct and mutually inconsistent in their essential ingredients, cannot ordinarily co-exist on the same set of allegations, thereby rendering the prosecution version inherently doubtful.

11. In fact, in the present case, the aggrieved party is Saroj Devi, who is neither the complainant nor the witness in the present case. Rather, Saroj Devi (subsequent purchaser) had earlier initiated a suit for declaration, against the present petitioner, complainant as well as Jaipal, however, she withdrew the same vide order dated 30.05.2018 (Annexure P-6) on the basis of a compromise effected between the parties.

12. As the offences alleged are punishable under Sections 406 and 420 of IPC are compoundable, and since subsequent purchaser Saroj Devi i.e. the only aggrieved person in the present case, has compromised the matter with present petitioner Anil Verma, complainant Seema Verma as well as Jaipal (subsequent purchaser qua the complainant), and in the



present case, she is neither complainant nor witness to prove cheating against the petitioner, hence continuation of criminal proceedings would be abuse of process of law.

13. In the authority relied upon the learned counsel for petitioner, i.e. ***Md. Ibrahim v. State of Bihar, 2009 INSC 1110***, the Hon'ble Supreme Court held as follows:

“If a person sells a property knowing that it does not belong to him, and thereby defrauds the person who purchased the property, the person defrauded, that is the purchaser, may complain that the vendor committed the fraudulent act of cheating. But a third party who is not the purchaser under the deed may not be able to make such complaint.”

14. Hence, in view of the aforesaid discussion, this Court finds merit in the present petition. However, it is made clear that the petitioner will cancel the sale deed executed in favour of subsequent purchaser Saroj Devi, if the same is already not cancelled, so that the revenue record is set right, and the said sale deed is not misused by the subsequent purchaser i.e. Saroj Devi for any purpose, such as obtaining loan, etc.

15. Accordingly, the present petition is **allowed** and FIR No.325 dated 30.11.2016, under Sections 406 and 420 IPC, registered at Police Station Narwana City, District Jind, Haryana, along with all consequential proceedings arising therefrom is hereby quashed qua the petitioner, subject to payment of costs of Rs.10,000, to be deposited in Indian Red Cross



Society having account No.3578152035, Central Bank of India, Sector 17-B, Chandigarh, IFSC CBIN0280412.

24.03.2026
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Whether speaking/reasoned
Whether reportable

(SUBHAS MEHLA)
JUDGE

Yes/No
Yes/No