



CRM-M-41926-2022

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

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CRM-M-41926-2022 (O&M)

Date of decision: 17.02.2026

M/S MAPLE TRADING COMPANY AND ANR.

....Petitioners

Versus

M/S CHHABRA TRADING CO. AND ANR.

...Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

Present : Mr. Ashish Sheokand, Advocate for the petitioners.

Ms. Shelika, Advocate for the respondents.

AMAN CHAUDHARY, J. (ORAL)

1. The present petition has been filed for quashing criminal complaint No.NACT 15/2018, dated 11.01.2018, under Sections 138 and 141 NI Act, Annexure P-1, (transferred to criminal Courts, Gram Nayalaya Rania, and new number assigned to it as NACT 48/2019, titled as 'M/s Chhabra Trading Co. Vs. M/s Maple Trading Co.') and all the subsequent proceedings arising therefrom, including the summoning order dated 07.03.2018.

2. Learned counsel contends that in respect of a dispute qua purchase of paddy, an FIR dated 16.11.2017, Annexure P-3, was got registered by the respondents, wherein a mention of the cheque bearing No.014522, amounting to Rs.1,71,165/-, that apparently got dishonoured on 13.11.2017 was found, which was quashed by this Court, vide order dated 11.02.2022 passed in CRM-M-12098-2019, Annexure P-6, and as such, the complaint under challenge

submitted on 11.01.2018 was an abuse of process of law, the matter having been compromised between the parties. Since the cheque amount was short, the FDR around Rs.10 lakh, was also released in favour of the complainant to make good the total amount due towards him.

3. Learned counsel for the respondents, on the other hand, states that the compromise was with regard to some other dispute, for which reference is made to para 4 of the reply filed in the Court, which is taken on record.

4. Heard.

5. This Court while issuing notice of motion on 14.09.2022, has passed the following order:

“The petitioners seek quashing of criminal complaint No.NACT/15/2018, dated 11.1.2018 (Annexure P-1) and also order dated 7.3.2018 (Annexure P-2) vide which the petitioners have been summoned to face trial in respect of an offence punishable under Section 138 of Negotiable Instruments Act.

Learned counsel for the petitioners submits that the complaint in question has been instituted on account of dishonour of a cheque i.e. cheque No.014522 dated 12.11.2017 for an amount of Rs.1,71,165/-. It has been submitted that infact there had been some business transactions amongst the parties inasmuch the petitioners had purchased bags of paddy in the year 2017 from the complainant, which as per the complainant was worth Rs.11,41,220/- and since the petitioners had been unable to make the payment in time in respect of the said paddy, the complainant lodged an FIR against the petitioners i.e. FIR No.283, dated 16.11.2017, Police Station Rania, District Sirsa, under Sections 406, 420 and 120-B of Indian Penal Code, wherein the complainant, while referring to the said dispute regarding non-payment of the amount of Rs.11,41,220/-, had also stated specifically therein that a cheque i.e. cheque No.014522 dated 12.11.2017 had been dishonoured, which had been issued by the petitioners as a part payment. It has been submitted that the matter pertaining to aforesaid FIR was, however, compromised and an amount of Rs.10 lakhs in the shape of FDR had been invested by the complainant and which was ordered to be released to the complainant at the time of quashing of the FIR, as per order dated 11.2.2022 passed in CRM-M-12098 of 2019 (Annexure P-6).

Learned counsel for the petitioners submits that since the present cheque in question was specifically mentioned in the FIR, which stands duly compromised, and an amount of Rs.10 lakhs

has already been paid, the continuance of the instant complaint is an abuse of process of law and is against the spirit of the compromise, which had been effected amongst the parties in the FIR case.

Notice of motion for 9.3.2023.

Meanwhile, further proceedings before the trial Court shall remain stayed qua the petitioners.”

6. The relevant of order dated 11.02.2022, whereby the FIR was quashed, reads thus:

“The statements of the five petitioners herein were also recorded before that court on oath, to the effect that they have entered into a compromise of their own will and they would have no objection if the amount deposited by way of a fixed deposit, be released to respondent no.2 after proceedings had been quashed in the FIR (obviously if they are to be so quashed).

Learned counsel appearing for respondent no. 2 also submits that the compromise between the parties still subsists, subject to of course release of the amount of the fixed deposit.

Though, as per the FIR, the allegation by respondent no. 2 was to the effect that the petitioners have duped many other persons in the same manner as they are alleged to have duped respondent no. 2, nothing to that effect is stated in the reply filed by the DSP, Ellenabad, and with learned counsel for respondent no. 2 also not pressing any such allegations.

Again, though in the reply of the DSP, it is stated that the offences being non-compoundable and as the trial is almost at its fag end, the FIR does not deserve to be quashed, however, keeping in view the nature of offences alleged to have been committed, with the matter having been amicably settled between the parties, there being no other accused even as per learned counsel for the complainant, the petition is allowed and FIR No.283, dated 16.11.2017, registered at Police Station Rania, District Sirsa, for the alleged commission of offences punishable under the provisions of Sections 420/406/120-B/506 of the IPC, along with all proceedings emanating therefrom, is hereby quashed.

The amount in the fixed deposit (referred to hereinabove), be released to the complainant within ten days from today.”

7. It is undisputed that the cheque in question, i.e. No.014522, is the same in both proceedings and the FIR stands quashed by this Court upon a compromise between the parties, bringing a finality to the criminal dispute. Though proceedings under Section 138 of NI Act are statutory in nature and distinct from offences under the IPC, however in the peculiar facts of the present

case, the foundational transaction has already been settled and given judicial imprimatur, thus permitting the complainant to proceed in the complaint would amount to permitting multiplicity of proceedings and re-litigation of the same cause of action, as nothing has been brought on record to suggest that the same arises out of a different subject matter. Once the dispute relating to the cheque stood compromised and FIR quashed, the substratum of the present complaint does not survive.

8. In view of the above, the present petition is allowed and the impugned complaint being NACT 15/2018, dated 11.01.2018, under Sections 138 and 141 NI Act, Annexure P-1, (transferred to criminal Courts, Gram Nayalaya Rania, and new number assigned to it as NACT 48/2019, titled as ‘M/s Chhabra Trading Co. Vs. M/s Maple Trading Co.’) and all the subsequent proceedings arising therefrom are quashed.

17.02.2026
parveen kumar

(AMANCHAUDHARY)
JUDGE

Whether speaking/reasoned : Yes / No

Whether reportable : Yes / No