

2026:PHHC:032079



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

CRM-M-48399-2022 (O&M)

Judgment reserved on: 11.02.2026

Judgment Pronounced on 23.02.2026

PARVEEN NAIN AND ORS.

... Petitioners

VERSUS

STATE OF HARYANA AND ANOTHER

... Respondents

CORAM: HON'BLE MR. JUSTICE H.S. GREWAL.

Present: Mr. R,S. Rai, Sr. Advocate with
Mr. Saurabh Sharma, Advocate
for the petitioners.

Mr. Rakesh Kumar Jangra, AAG, Haryana.

Mr. Kanwaljit Singh, Sr. Advocate with
Mr. Veer Imaan Singh, Mr. Jashan Preet
Singh and Ms. Muskan Sharma, Advocates
for respondent No.2.

H.S. GREWAL, J.

The instant petition has been filed under Section 482 of Cr.P.C. seeking quashing of FIR No.0028 dated 13.01.2022 under Sections 120-B, 420, 467, 468 and 471 of IPC registered at Police Station City Sonipat, District Sonipat (Annexure P-1) alongwith all consequential proceedings arising therefrom including the challan (Annexure P-3) under Sections 120-B, 180, 420, 467, 468 and 471 of IPC filed against the petitioners as no offence is made out rather a civil dispute has been given the colour of criminality.

2. Brief facts of the present case are that the complainant Ajay Kumar alias Ajay son of Shri Dariya Tehsil and District Sonapat was owner and in

possession of land comprised in Rect. and Killa No.2/25 (1-4), 3/21 (3-0), 22 (0-17), 5/1 (8-0), 2(8-0), 3 (5-11), 4 (1-11), 6 (4-7), 7/1 (2-0), 7/2 (6-0), 8 (7-4), 9 (8-0), 10 (8-0), 11 (7-17), 12 (7-11), 13(7-12)14/1 (2-0) 14/2 (6-0), 15 (8-0), 16 (8-0), 18 (8-0), 19/1 Min 4-19, 20/1/1 min (2-7), 5/26 (0-10), 6/5 (7-18), 6 (8-0).

On 29.08.2018, the complainant made deal of 56 Kanals 3 Marlas out of the aforesaid land with accused Nos.1 and 2 at the rate of Rs.1.25 crore per acre and in the agreement the date for registration was fixed as 07.03.2019. However, the accused No.1 and 2 could not arrange the balance sale consideration within stipulated time, and sought further time. They also made deal for purchasing his remaining land at the rate of Rs.1.25 crores, for which the complainant gave his consent, upon which the accused prepared three separate agreements on 07.03.2019. In two agreements the rate was mentioned as Rs.1.25 crore per acre and date for registration was fixed as 06.02.2020. However, in one agreement No.13668 instead of Rs.01 crore 25 lacs, the rate was mentioned as only Rs.25 lacs per acre and date for registration of sale deed was fixed as 06.01.2020. The complainant alleged that he agreed to sell his entire land at the rate of Rs.01 crore 25 lacs per acre in the presence of witness Dharminder son of Kartar Singh, resident of village Garhi Bala, whereas all accused in conspiracy with each other, with an intention to swallow his land committed cheating and forgery by preparing three pages of agreement No.13668 and after replacing the pages, showed lesser sale consideration of only Rs.25 lacs per acre, whereas in remaining two agreements, two pages were written, whereas all three agreements were prepared on the same day i.e. 07.03.2019. Till stipulated date i.e. 06.01.2020 the accused could not make arrangement for money and said that they could not arrange money. They requested the return of their earnest money and stated that

the complainant may sell his land elsewhere, as complainant's land is free. Thereafter, on 12.02.2020 the complainant returned Rs.5,00,000/- in cash and gave cheque of Rs.47 lacs to the accused who accepted the entire money and after sufficient time, on the asking of the accused, the complainant sold his land to M/s Celestial Valley LLP vide sale deed dated 07.05.2019. The accused by using the alleged false agreement No.13668 filed false case against the complainant. On receipt of summons from the Court, the complainant came to know about entire forgery done by the accused. When he confronted the accused, the accused asked to get registered the sale deed in their names at the rate of Rs.25 lacs per acre, otherwise he and his family would be ruined. When the complainant told accused that he has returned their money by selling his land and as to why they were doing so with him, then accused said that they want Rs.6 crores, which money be given either by the complainant or the money be got paid from the company to whom he has sold the land and if he failed to pay the money as demanded by them, then he will be shot dead. The complainant apprehend danger to his life and property from the accused.

3. A perusal of the above shows that the main allegations against the petitioners are that they have forged and fabricated an agreement to sell No.13668 wherein the price of sale consideration was got written only as Rs.25,00,000/- per acre instead of Rs.1.25 crore per acre. It is further alleged that petitioner Sanjay and Yogesh Kumar filed suit for possession by way of specific performance of agreement to sell dated 07.03.2019 alongwith the relief of declaration and injunction under Section 26 of the C.P.C. and Section 34 and 38 of the Specific Relief Act, 1963 against the complainant and one Shivank Garg on 13.01.2022.

It is further alleged that the complainant-respondent No.2 clandestinely transferred an amount of Rs.47,00,000/- to the account of the petitioners through RTGS on 10.12.2021 without their consent. A legal notice dated 13.12.2021 was also sent to the complainant-respondent No.2. Subsequently, Subhash (petitioner No.6) filed a civil suit for rectification of instrument of agreement and for consequential relief of specific performance of contract under the relevant provisions of the civil law.

4. Learned Senior Counsel for the petitioners argued that the matter is purely civil in nature as it arises out of an agreement to sell and a civil suit has been filed for specific performance of contract. Therefore, no offence would be made out as stated in the FIR in question.

5. On the other hand, learned senior counsel appearing on behalf of respondent No.2-complainant argued that a complete forgery has been committed by the petitioners in connivance with each other by fraudulently changing the price money as Rs.25,00,000/- only instead of Rs.1.25 crore per acre. He further submits that criminal and civil proceedings are different things and both can co-exist if there is a sufficient *prima facie* case against the accused persons. He relied upon the judgment of Hon'ble the Supreme Court passed in ***Kathyayini Versus Sidharth P.s. Reddy and others***, reported as ***2025 SCC Online SC 1428***, wherein it has been held that pendency of civil proceedings on the same subject matter is no justification to quash criminal proceedings if a *prima facie* case exists against the accused persons. Criminal and Civil remedies can co-exist and are not mutually exclusive.

6. Learned State Counsel submits that a complaint was received from the office of Superintendent of Police, Sonipat, from the perusal of which

cognizable offences were made out. Hence, the FIR in question was registered under the relevant Sections of the IPC. He further submits that although there may be agreement to sell between the parties, but the *prima facie* ingredients of forgery of document(s) are clearly made out, for which investigation is necessary and as such, no ground is made out to quash the FIR at this stage.

7. I have heard the learned senior counsel for the respective parties as well as the learned State Counsel and has gone through the documents and material available on record.

8. A perusal of the agreement to sell in question shows that there is no visible cutting/alteration at any place. It is a registered agreement to sell and before the numeric digits 'Rs.25,00,000/-' the words 'Rupees Twenty-Five Lacs per acre' have been clearly mentioned. Therefore, on the face of it, there is no apparent forgery, addition or alteration in the amount mentioned as sale consideration. Moreover, the complainant himself admitted that when the sale deed was not executed by the petitioners, then after waiting for sufficient time, he had sold his land to M/s Celestial Valley LLP vide sale deed dated 07.05.2021. Surprisingly, the sale consideration has been mentioned herein as Rs.35 lacs per acre only. This fact gives strength to the case of the petitioners that there would possibly be no agreement to sell for a sale consideration of Rs.1.25 crore per acre in 2019, when the property in question has been sold by the complainant at the rate of Rs.35 lacs per acre in 2021. In such like matters, the FIR is a pure tactic to escape from civil liability of executing and registering the sale deed in favour of the petitioners, especially in light of the fact that the petitioners/vendees were present in the office of Sub-Registrar on 07.03.2019 for execution and registration of the sale deed, i.e. the date which is mentioned in the agreement to sell, but

when the complainant did not turn up, they got their presence marked by way of getting their affidavits attested from the concerned Sub-Registrar and their photographs were also taken there. This fact makes it very clear that it was the complainant and not the petitioners who had not honoured the terms and conditions of the agreement to sell and the complainant has resorted to lodging of a criminal case against the petitioners just to escape from his legal civil liability. Hence this Court does not find any merit in the contentions of learned Senior counsel appearing on behalf of the complainant-respondent No.2.

9. In *State of Haryana Versus Bhajan Lal, 1992 Supp. (1) SCC 335*, Hon'ble the Supreme Court has laid down illustrative categories where quashing of proceedings is justified. These are: -

- (1) *Where the allegations made in the first information report or the complaint, even if they are taken at their face value and accepted in their entirety do not prima facie constitute any offence or make out a case against the accused.*
- (2) *Where the allegations in the first information report and other materials, if any, accompanying the FIR do not disclose a cognizable offence, justifying an investigation by police officers under Section 156(1) of the Code except under an order of a Magistrate within the purview of Section 155(2) of the Code.*
- (3) *Where the uncontroverted allegations made in the FIR or complaint and the evidence collected in support of the same do not disclose the commission of any offence and make out a case against the accused.*
- (4) *Where the allegations in the FIR do not constitute a cognizable offence but constitute only a non-cognizable offence, no investigation is permitted by a police officer without an order*

of a Magistrate as contemplated under Section 155(2) of the Code.

- (5) *Where the allegations made in the FIR or complaint are so absurd and inherently improbable on the basis of which no prudent person can ever reach a just conclusion that there is sufficient ground for proceeding against the accused.*
- (6) *Where there is an express legal bar engrafted in any of the provisions of the Code or the Act concerned (under which a criminal proceeding is instituted) to the institution and continuance of the proceedings and/or, where there is a specific provision in the Code or the Act concerned, providing efficacious redress for the grievance of the aggrieved party.*
- (7) *Where a criminal proceeding is manifestly attended with mala fide and/or where the proceeding is maliciously instituted with an ulterior motive for wreaking vengeance on the accused and with a view to spite him due to private and personal grudge."*

10. Hon'ble the Supreme Court has, in a long line of decisions, deprecated the tendency to convert civil disputes into criminal proceedings. In ***Indian Oil Corporation Vs. M/s NEPC India Ltd.; (2006) 6 SCC 736***, it was held that criminal law cannot be used as a tool to settle scores in commercial or contractual matters, and that such misuse amounts to abuse of process of law. The following paragraphs from the decision are apposite:

"9. *The principles, relevant to our purpose are:*

- (i) *A complaint can be quashed where the allegations made in the complaint, even if they are taken at their face value and accepted in their entirety, do not prima facie constitute any offence or make out the case alleged against the accused. For this purpose, the complaint has to be examined as a whole, but without examining the merits of the allegations. Neither a detailed inquiry nor a meticulous analysis of the material nor*

an assessment of the reliability or genuineness of the allegations in the complaint, is warranted while examining prayer for quashing of a complaint.

- (ii) A complaint may also be quashed where it is a clear abuse of the process of the court, as when the criminal proceeding is found to have been initiated with malafides/malice for wreaking vengeance or to cause harm, or where the allegations are absurd and inherently improbable.*
- (iii) The power to quash shall not, however, be used to stifle or scuttle a legitimate prosecution. The power should be used sparingly and with abundant caution.*
- (iv) The complaint is not required to verbatim reproduce the legal ingredients of the offence alleged. If the necessary factual foundation is laid in the complaint, merely on the ground that a few ingredients have not been stated in detail, the proceedings should not be quashed. Quashing of the complaint is warranted only where the complaint is so bereft of even the basic facts which are absolutely necessary for making out the offence.*
- (v) A given set of facts may make out: (a) purely a civil wrong; or (b) purely a criminal offence; or (c) a civil wrong as also a criminal offence. A commercial transaction or a contractual dispute, apart from furnishing a cause of action for seeking remedy in civil law, may also involve a criminal offence. As the nature and scope of a civil proceedings are different from a criminal proceeding, the mere fact that the complaint relates to a commercial transaction or breach of contract, for which a civil remedy is available or has been availed, is not by itself a ground to quash the criminal proceedings. The test is whether the allegations in the complaint disclose a criminal offence or not.*

10. While on this issue, it is necessary to take notice of a growing tendency in business circles to convert purely civil disputes into

criminal cases. This is obviously on account of a prevalent impression that civil law remedies are time consuming and do not adequately protect the interests of lenders/creditors. Such a tendency is seen in several family disputes also, leading to irretrievable break down of marriages/families. There is also an impression that if a person could somehow be entangled in a criminal prosecution, there is a likelihood of imminent settlement. Any effort to settle civil disputes and claims, which do not involve any criminal offence, by applying pressure though criminal prosecution should be deprecated and discouraged."

11. Recently, in ***Shailesh Kumar Singh @ Shailesh R. Singh v. State of Uttar Pradesh and others. Criminal Appeal No. 2963/2025 decided on 14.07.2025: (2025 INSC 869)*** Hon'ble the Supreme Court has disapproved the practice of using criminal proceedings as a substitute for civil remedies, observing that money recovery cannot be enforced through criminal prosecution where the dispute is essentially civil. The Court cautioned High Courts not to direct settlements in such matters but to apply the principles settled in the case of ***Bhajan Lal (supra)***. The following paragraphs are relevant in this context:

"9. What we have been able to understand is that there is an oral agreement between the parties. The Respondent No.4 might have parted with some money in accordance with the oral agreement and it may be that the appellant-herein owes a particular amount to be paid to the Respondent No.4. However, the question is whether prima facie any offence of cheating could be said to have been committed by the appellant.

10. How many times the High Courts are to be reminded that to constitute an offence of cheating, there has to be something more than prima facie on record to indicate that the intention of the accused was to cheat the complainant right from the inception. The

plain reading of the FIR does not disclose any element of criminality.”

11. The entire case is squarely covered by a recent pronouncement of this Court in the case of Delhi Race Club (1940) Limited, v. State of Uttar Pradesh" reported in (2024) 10 SCC 690. In the said decision, the entire law as to what constitutes cheating and criminal breach of trust respectively has been exhaustively explained. It appears that this very decision was relied upon by the learned counsel appearing for the petitioner before the High Court. However, instead of looking into the matter on its own merits, the High Court thought fit to direct the petitioner to go for mediation and that too by making payment of Rs. 25,00,000/- to the 4th respondent as a condition precedent. We fail to understand why the High Court should undertake such exercise. The High Court may either allow the petition saying that no offence is disclosed or may reject the petition saying that no case for quashing is made out. Why should the High Court make an attempt to help the complainant to recover the amount due and payable by the accused. It is for the Civil Court or Commercial Court as the case may be to look into in a suit that may be filed for recovery of money or in any other proceedings, be it under the Arbitration Act, 1996 or under the provisions of the IB Code, 2016.

12. Why the High Court was not able to understand that the entire dispute between the parties is of a civil nature.

13. We also enquired with the learned counsel appearing for the Respondent No.4 whether his client has filed any civil suit or has initiated any other proceedings for recovery of the money. It appears that no civil suit has been filed for recovery of money till this date. Money cannot be recovered, more particularly, in a civil dispute between the parties by filing a First Information Report and seeking the help of the Police. This amounts to abuse of the process of law.

14. We could have said many things but we refrain from observing anything further If the Respondent No.4 has to recover a particular

amount, he may file a civil suit or seek any other appropriate remedy available to him in law. He cannot be permitted to take recourse of criminal proceedings.

15. *We are quite disturbed by the manner in which the High Court has passed the impugned order. The High Court first directed the appellant to pay Rs.25,00,000/- to the Respondent No.4 and thereafter directed him to appear before the Mediation and Conciliation Centre for the purpose of settlement. That's not what is expected of a High Court to do in a Writ Petition filed under Article 226 of the Constitution or a miscellaneous application filed under Section 482 of the Code of Criminal Procedure, 1973 for quashing of FIR or any other criminal proceedings. What is expected of the High Court is to look into the averments and the allegations levelled in the FIR along with the other material on record, if any. The High Court seems to have forgotten the well-settled principles as enunciated in the decision of this Court in the "**State of Haryana & Others v. Bhajan Lal & Others**" Reported in 1992 Supp. (1) SCC 335.*

13. This Court, however, does not dispute the ratio of law laid down by Hon'ble the Supreme Court in the matter of **Kathyayini (supra)** relied upon by the learned senior counsel for the complainant-respondent No.2, but at the same time, keeping in view the peculiar facts and circumstances of the instant case, this Court is of the considered opinion that there is no *prima facie* case made out against the petitioners, especially in light of the conduct of the complainant-respondent No.2, who claims that the sale consideration in the year 2019 was agreed to be Rs.1.25 crore per acre, whereas in 2021, he sells his land at a much cheaper rate i.e. Rs.35,00,000/- per acre. In this light of the matter, the case law of **Kathyayini (supra)** is not applicable to the facts and circumstances of the present case.

14. In the case in hand, *prima facie* the allegations against the petitioners are not made out as the agreement to sell in question is a genuine document being a registered agreement. There is no allegation of cutting or overwriting, which could be apparent on the record and the allegation that “Rs.25,00,000/-” was mentioned instead of “Rs.1.25 crore” is totally absurd especially in the light of the fact that the complainant himself sold his land subsequently at a very low price i.e. Rs.35 lacs per acre. Therefore, applying the ratio of law laid down in the case of ***Bhajan Lal (supra)*** and other case laws discussed hereinabove, this Court is of the opinion that FIR in question is an abuse of process of law and has been lodged to settle the civil scores only.

15. Resultantly, the FIR No.0028 dated 13.01.2022 under Sections 120-B, 420, 467, 468 and 471 of IPC registered at Police Station City Sonipat, District Sonipat (Annexure P-1) is hereby quashed qua the petitioners alongwith all consequential proceedings arising therefrom including the challan (Annexure P-3) under Sections 120-B, 180, 420, 467, 468 and 471 of IPC.

16. Petition stands allowed accordingly.

17. Other misc. application(s), if any, also stand(s) disposed of accordingly.

FEBRUARY 23, 2026.

Rajender

**(H.S. GREWAL)
JUDGE**

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No