



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

(155)

CRM-M-46143-2026 (O&M)
Date of Decision:19.08.2026

RAJINDER SINGH

... Petitioner

Versus

AMRIK KUMAR

... Respondent

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CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present:- Mr. Arshad Ali, Advocate
for the petitioner.

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VIRINDER AGGARWAL, J. (Oral)

1. Petition under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (corresponding to Section 482 Cr.P.C.), seeking quashing of Complaint Case bearing Registration No. NACT/31770/2025 titled “*Amrik Kumar Vs. Rajinder Singh*”, dated 15.09.2025 (Annexure P-1), pending before the learned Judicial Magistrate First Class, Jalandhar, along with the consequential summoning order dated 03.12.2025 (Annexure P-8) and all subsequent proceedings arising therefrom, qua the petitioner.

2. Briefly stated, the dispute arises out of a transaction concerning 5 acres of land situated in the revenue estate of Kapurthala, which the petitioner had agreed to sell to the respondent for a total consideration of ₹24,50,000/-. Pursuant thereto, an agreement dated 20.07.2022 was executed for handing over possession of the said land to



the respondent. Subsequently, the respondent resiled from the arrangement and sought refund of the amount paid by him.

2.1. With a view to bringing the dispute to an amicable conclusion, the parties entered into an agreement dated 16.05.2024, duly notarised on 17.05.2024, whereby the petitioner agreed to refund ₹24,50,000/- to the respondent, while the respondent undertook to return the documents pertaining to the transaction and the land. In furtherance thereof, the petitioner issued five post-dated cheques on different dates, including the cheque in question, and handed them over to the respondent. However, the respondent neither returned the relevant documents nor handed back possession of the land and, despite being called upon to return the cheques, allegedly proceeded to present the disputed cheque for encashment.

2.2. Aggrieved thereby, the petitioner instituted civil suit bearing No. CS/542/2024 before the learned Civil Judge (Junior Division), Kapurthala, on 06.11.2024, seeking mandatory injunction for return of the cheques and original agreement dated 20.07.2022, besides permanent injunction restraining the respondent from presenting the said cheques for encashment until possession of the land was restored. During the pendency of the said civil proceedings, the respondent instituted the complaint under Section 138 of the Negotiable Instruments Act, bearing No. NACT/31770/2025 dated 15.09.2025, giving rise to the present proceedings.

3. Learned counsel for the petitioner contended that the 05 cheques were issued in view of the agreement between the parties to cancel the agreement to sell whereby the petitioner has promised to return



the amount of Rs.24,50,000/- received by him and respondent-complainant was to hand over the possession of the land and documents prepared for agreement belonging to the land in question. The cheques were post-dated cheques, respondent-complainant failed to hand over the possession of the land to the petitioner and he came to know that respondent is trying to sell the land to any other person, so petitioner issued instructions to the bank to stop payment of the cheques in question and has also filed a civil suit for mandatory injunction for delivering those cheques and original agreement to the petitioner. It is contended that there were no legal liability to pay the amount of the cheque, so no offence punishable under Section 138 of Negotiable Instruments Act is disclosed against the petitioner and prayed that petition be allowed.

4. I have heard learned counsel for the petitioner at considerable length and have meticulously examined the pleadings, the paper-book and the material placed on record with his able assistance.

5. The trial is presently at a nascent stage. At this preliminary juncture, it cannot be concluded that the impugned complaint has been instituted solely with a view to wreak vengeance upon the petitioners or to obtain an undue advantage in the pending civil litigation. The legal principles governing the exercise of inherent jurisdiction for quashing criminal proceedings are too well settled to require elaboration. The inherent powers of this Court are to be exercised sparingly, with circumspection and only in the rarest of cases where the allegations, even if taken at their face value, fail to constitute any offence or where continuation of the criminal proceedings would amount to a manifest abuse



of the process of law. The contours of the power to quash FIRs/complaints under Section 482 Cr.P.C (Now Section 528 of BNSS) are well defined. The Hon'ble Supreme Court in the landmark judgment of *State of Haryana & Ors. v. Ch. Bhajan Lal & Ors., 1991 (1) RCR(Criminal) 383* has laid down as following:-

“107. In the backdrop of the interpretation of the various relevant provisions of the Code under Chapter XIV and of the principles of law enunciated by this Court in a series of decisions relating to the exercise of the extraordinary power under Article 226 or the inherent powers under section 482 of the Code which we have extracted and reproduced above, we give the following categories of cases by way of illustration wherein such power could be exercised either to prevent abuse of the process of any Court or otherwise to secure the ends of justice, though it may not be possible to lay down any precise, clearly defined and sufficiently channelised and inflexible guidelines or rigid formulae and to give an exhaustive list of myriad kinds of cases wherein such power should be exercised.

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 F.I.R. 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 F.I.R. 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 F.I.R. 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 concerned Act (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 concerned Act, 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.
108. We also give a note of caution to the effect that the power of quashing a criminal proceeding should be exercised very sparingly and with circumspection and that too in the rarest of rare cases; that the Court will not be justified in embarking upon an enquiry



as to the reliability or genuineness or otherwise of the allegations made in the F.I.R. or the complaint and that the extraordinary or inherent powers do not confer an arbitrary jurisdiction on the Court to act according to its whim or caprice.”

6. In *M/s Neeharika Infrastructure Pvt. Ltd. v. State of Maharashtra (2021) 19 SCC 401*, a Three-Judge Bench of the Hon'ble Supreme Court authoritatively delineated the scope and ambit of the inherent jurisdiction of the High Court under Section 482 Cr.P.C. Reaffirming the settled legal position, the Court held that the power to quash criminal proceedings is extraordinary in nature and is to be exercised sparingly, with great circumspection, and only in exceptional cases, the expression "*rarest of rare*" being employed in a context distinct from that governing the imposition of capital punishment.

6.1. The Hon'ble Supreme Court further held that, while exercising jurisdiction under Section 482 Cr.P.C. for quashing an FIR or criminal proceedings, the High Court is not expected to enter into disputed questions of fact or adjudicate upon the correctness, reliability or genuineness of the allegations levelled in the FIR or complaint. At such stage, the Court cannot examine the defence available to the accused, undertake a meticulous appreciation of evidence, or conduct a mini-trial. Interference would be justified only where the case unmistakably falls within the well-recognised parameters governing the exercise of inherent jurisdiction, particularly those enunciated in *R.P. Kapur v. State of Punjab AIR 1960 SC 866* and *State of Haryana and Others v. Bhajan Lal (supra)*.



7. Tested on the touchstone of the aforesaid settled principles, the present case does not satisfy any of the parameters laid down in ***Ch.Bhajan Lal*** (supra) or ***M/s Neeharika Infrastructure Pvt. Ltd.*** (supra) so as to warrant the exercise of the extraordinary inherent jurisdiction of this Court. At this stage, there is no material to *prima facie* indicate that the impugned complaint is manifestly *mala fide*, frivolous, vexatious, or actuated by an ulterior motive amounting to an abuse of the process of law. On the contrary, the allegations contained therein disclose the commission of cognizable offences, thereby necessitating a fair, impartial and complete investigation. Judicial interdiction at this incipient stage would, therefore, be wholly unwarranted.

8. A plain reading of the complaint reveals that the agreement to sell executed between the petitioner and the respondent-complainant in respect of 5 acres of land was subsequently cancelled, whereupon the petitioner undertook to refund a sum of ₹24,50,000/- received from the complainant. In discharge of the said acknowledged obligation, the petitioner issued five post-dated cheques, including Cheque No. 146073 dated 20.08.2025. Upon presentation, the cheque in question was dishonoured with the remarks “Payment Stopped by Drawer”. Thereafter, the statutory notice contemplated under Section 138 of the Negotiable Instruments Act was served upon the petitioner through registered post dated 28.08.2025, but the petitioner admittedly failed to make payment of the cheque amount within the prescribed period. Thus, the foundational facts necessary for constituting a *prima facie* offence under Section 138 of



the Negotiable Instruments Act are, ex facie, disclosed from the complaint itself.

9. The principal plank of the petitioner's challenge rests upon disputed questions of fact, particularly the contention that the respondent-complainant failed to honour the terms of the subsequent arrangement and, consequently, no legally enforceable liability subsisted against the petitioner. Such a defence necessarily entails adjudication of disputed factual assertions and appreciation of evidence, which cannot appropriately be undertaken in exercise of the inherent jurisdiction of this Court. At this stage, the Court is only required to ascertain whether the allegations, taken at their face value, disclose the commission of an offence. The contents of the complaint, read in their entirety, prima facie satisfy the statutory ingredients of Section 138 of the Negotiable Instruments Act. No material of such unimpeachable character has been brought on record which would demonstrate that continuation of the complaint is manifestly mala fide or constitutes an abuse of the process of law.

10. Learned counsel for the petitioner has placed reliance upon the judgment of the Hon'ble Supreme Court in ***Lalit Kumar Sharma Vs. State of U.P. and Another, 2008 INSC 589***. In the said case, the subsequent cheque had been issued in the backdrop of a settlement arrived at during the pendency of earlier criminal proceedings, which had thereafter been withdrawn pursuant to the compromise. The Hon'ble Supreme Court, upon examining the factual and legal circumstances obtaining therein, found that the cheque in question had been issued towards effectuating the



settlement and did not represent an independent legally enforceable debt or liability of the company or its Directors. The factual foundation and nature of the liability in the said case were, therefore, materially distinct from those obtaining in the present proceedings.

11. The reliance placed upon ***Lalit Kumar Sharma Vs. State of U.P. and Another*** (*supra*) is, therefore, misplaced. In the present case, the respondent-complainant had admittedly paid ₹24,50,000/- to the petitioner pursuant to the agreement to sell. Upon cancellation of the said agreement, the petitioner undertook to refund the amount and, in furtherance thereof, issued five post-dated cheques, including the cheque forming the subject matter of the present complaint. The subsequent stoppage of payment, followed by dishonour of the cheque, prima facie gives rise to the statutory consequences contemplated under Section 138 of the Negotiable Instruments Act.

11.1. The petitioner's plea that the respondent-complainant failed to hand over possession of the land and, consequently, no amount was legally recoverable, constitutes a matter of defence requiring factual adjudication. Whether the parties fulfilled their respective obligations under the subsequent arrangement, whether any legally enforceable liability subsisted on the date of presentation of the cheque and whether the petitioner was justified in issuing instructions for stoppage of payment are questions which necessarily require evidence and cannot be conclusively determined at the threshold. The petitioner shall remain at liberty to establish such defence before the learned Trial Court in accordance with law. The mere existence of a defence, particularly one founded upon



disputed questions of fact, cannot furnish a legitimate basis for scuttling the prosecution at its inception.

11.2. Viewed cumulatively, no exceptional circumstance or manifest illegality has been demonstrated warranting exercise of the inherent jurisdiction of this Court to interdict the criminal proceedings at this stage. Consequently, without expressing any opinion on the merits of the rival claims or the ultimate liability of the petitioner, the present petition, being devoid of merit, is hereby **dismissed**.

11.3. It is, however, clarified that the observations made herein are confined strictly to the adjudication of the present petition and shall not be construed as an expression of opinion on the merits of the prosecution or the defence of the petitioner. The learned Trial Court shall adjudicate the complaint independently, on the basis of the evidence brought on record and in accordance with law, uninfluenced by any observation contained in the present order.

12. In view of the final disposal of the principal proceedings, all pending miscellaneous or connected applications, if any, arising therefrom or ancillary thereto, shall stand disposed of accordingly. No separate or further order is called for in respect thereof.

19.08.2026
Gaurav Sorot

(VIRINDER AGGARWAL)
JUDGE

Whether reasoned / speaking? Yes / No

Whether reportable? Yes / No